AMENDED IN SENATE SEPTEMBER 14, 2001

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AMENDED IN SENATE JULY 2, 2001

AMENDED IN ASSEMBLY MARCH 27, 2001

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 804

Introduced by Committee on Education (Strom-Martin (Chair), Alquist, Calderon, Correa, Goldberg, Liu, Pavley, Salinas, Vargas, Wyland, and Zettel)

February 22, 2001

An act to amend Sections 8208, 8264.5, 8278.3, 8951, 10901, 11023, 11024.5, 17070.75, 17150, 17582, 17584, 22303.5, 32228, 32228.1, 33533, 37220.6, 41374, 41409, 42238.44, 42239.15, 42650, 42850, 44503, 47773, 48264.5, 51210, 51220, 51224.5, 51511, 51810, 51874, 52066, 52067, 52334, 52523, 52761, 53029, 54746, 54749, 56026, 56029, 56200, 56207, 56366.1, 56391, 56836.02, 60061, 60240, 60313, 60400, 63051, 69995, 69996, 69997, 69998, 78300, 89230, and 99223 of, to amend and renumber the heading of Chapter 17 (commencing with 53081) of Part 28 of, to amend and renumber Sections 53081, 53082, 53083, and 53084 of, to add Sections 44395.5, 47661.5, and 54746.5 to, to add Article 3.7 (commencing with Section 56055) to Chapter 1 of Part 30 of, to repeal Section 56044 of, and to repeal Article 19 (commencing with Section 8420) and Article 19.5

Corrected 9-24-01—See last page.

AB 804 — 2 —

(commencing with Section 8430) of Chapter 2 of Part 6 of, the Education Code, and to amend Sections 3540.2, 4420.5, 6516.6, and 8869.84 of the Government Code, to amend Section 3 of Chapter 1024 of the Statutes of 2000, and to amend Items 6110-001-0890, 6110-165-0001, 6110-210-0001, 6110-295-0001, and 6110-485 of Section 2.00 of the Budget Act of 2001, relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 804, as amended, Strom-Martin. Education.

(1) Existing law authorizes programs previously funded under the Alternative Child Care Act and for new programs funded pursuant to the Child Care and Development Services Act to operate pursuant to the regulations for child day care facilities under the California Community Care Facilities Act, and does not require those programs to be subject to specified regulations and related laws under certain circumstances.

This bill would delete those provisions.

(2) Existing law establishes the Child Care Facilities Revolving Fund in the State Treasury to provide funding for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to school districts and contracting agencies who provide child care and development services. Existing law requires the Superintendent of Public Instruction to submit a plan to the Office of the Secretary for Education, the Department of Finance, and the Legislative Analyst specifying the application procedures to request funding, allowable uses of the funds, and the form of agreement to be used.

This bill would recast provisions authorizing use of this funding for renovation, repair, or improvement of an existing building, and would specify that school districts and county offices of education that operate a California School Age Families Education Program are eligible to apply for and receive funding from the fund. The bill would delete the requirement that the Superintendent of Public Instruction submit a plan.

(3) Under existing law, the Child Care and Employment Act establishes a child care fund in each local service delivery area to provide child care services for the children of parents in the service delivery area's job training and placement programs.

__ 3 __ AB 804

This bill would repeal the act.

(4) Existing law establishes a 3-year pilot project on infant home care for the purposes of developing and evaluating a model program for the recruitment, training, and monitoring of a network of infant care providers.

This bill would repeal the pilot project.

(5) Existing law authorizes local educational agencies to submit proposals to the Superintendent of Public Instruction to fund activities that will increase the percentage of pupils at qualifying high schools that meet the requirements for admission to the California State University or the University of California. Existing law requires the Superintendent of Public Instruction to recommend, and the State Board of Education to approve, a plan for the comprehensive evaluation of programs authorized pursuant to the grant program. Existing law requires the superintendent to complete the evaluation and submit it to the board by July 1, 2003, and the board to submit the final evaluation and report to the Legislature by December 31, 2003. Existing law requires the act to become inoperative on July 1, 2004, and repealed as of January 1, 2005.

This bill would extend the dates of submission for those reports for one year and extend the inoperative and repeal dates of the act for one year.

(6) Existing law requires a school district applying for funding under the Leroy F. Greene School Facilities Act of 1998 to establish a restricted account within the school district's general fund for the exclusive purpose of providing funds for ongoing and major maintenance of school buildings and requires that a school district deposit into the account in each fiscal year for 20 years after receiving funds under the act, a minimum amount equal to 3% of the district's general fund budget for that fiscal year.

This bill would require the minimum amount to be equal to 3% of the applicant of the district's total general fund expenditures, including other financing uses, for the fiscal year and would allow a school district that serves as the administrative unit for a special education local plan area exclude from its total general fund expenditures, for purposes of calculating the minimum amount to deposit in the restricted account, the distribution of revenues that are passed through to participating members of the special education local plan area.

(7) Existing law requires the State Allocation Board to apportion funds from the State School Deferred Maintenance Fund to school

AB 804 — 4 —

districts based on local one-to-one match up to a maximum amount based in part on the district's total expenditures and certain ending fund balances, excluding amounts expended for capital outlay or debt service.

This bill would allow a school district that serves as the administrative unit for a special education local plan area to also exclude revenues that are passed through to participating members of the special education local plan area from its total expenditures for purposes of calculating the maximum amount of funds that may be apportioned to it from the State School Deferred Maintenance Fund.

(8) Existing law requires the State Teachers Retirement Board to offer a midcareer retirement information program for the benefit of all members

This bill would require the board to provide active and retired members with notice pertaining to time constraints and requirements for passing the state basic skills proficiency tests if an individual wants to return to the classroom after 39 months.

(9) Under existing law, the Carl Washington School Safety and Violence Prevention Act states the intent of the Legislature that public schools serving pupils in kindergarten or any of grades 1 to 12, inclusive, have access to supplemental resources to establish programs and strategies that promote school safety and emphasize violence prevention among children and youth in the public schools. Existing law requires the Superintendent of Public Instruction to provide funds to school districts serving the specified pupils.

This bill would make the act applicable to public schools and school districts serving pupils in any of grades 8 to 12, inclusive.

(10) Existing law creates the Cesar Chavez Day of Service and Learning program and authorizes the California Commission on Improving Life Through Service to make grants to local and state operated Americorps or Conservation Corps programs that submit proposals to engage pupils through their schools and school districts in community service that qualifies as instructional time on Cesar Chavez Day and that honors the life and work of Cesar Chavez.

This bill would authorize the grants to be made based on proposals selected through a competitive process and would include National Senior Service Corps and Learn and Serve with the Americorps and Conservation Corps as programs that may submit proposals for grants.

(11) Existing law requires the Superintendent of Public Instruction to determine the statewide average percentage of school district

__ 5 __ AB 804

expenditures that are allocated to the salaries of administrative personnel, teachers, and district superintendents and to submit a copy of this information annually to the Legislature, the Governor, the Department of Finance, and the office of the Legislative Analyst.

This bill would delete the requirement regarding submission of the information to the Legislature, the Governor, the Department of Finance, and the office of the Legislative Analyst.

(12) Existing law establishes a program to award grants to school districts and teachers as incentives for teachers who are assigned to teach to attain certification from the National Board for Professional Teaching Standards.

This bill would define "assigned to teach" for this purpose.

(13) Existing law sets forth a method for calculating the average daily attendance of school districts that sponsor charter schools to take into account the attendance of charter school pupils.

This bill would allow for an increase in a school district's average daily attendance when a school within the district becomes a charter school for one year and then returns to being a noncharter school the following year.

(14) Existing law requires the State Department of Education to develop an evaluation design for the high-risk youth education and public safety program that will assess the effectiveness of program implementation and operation and to report to the Legislature by March 1, 2002.

This bill would require an interim report by March 1, 2002, and a final report by May 1, 2004.

(15) Existing law subjects a minor who is a truant to certain sanctions including being classified as a habitual truant upon the minor's 4th truancy within the same school year.

This bill would also authorize a minor who is a truant to be required to attend make up classes conducted on one day of a weekend and would classify the minor as a habitual truant upon his or her 3rd, rather than 4th, truancy within the same school year.

(16) Existing law requires the adopted course of study for grades 7 to 12, inclusive, to include algebra as part of the mathematics area of study. Existing law requires, commencing with the 2003–04 school year, the mathematics requirement for graduation to be met by a course or courses that meet or exceed the State Board of Education adopted content standards for Algebra I. Existing law deems the mathematics requirement for graduation to be satisfied if at any time in any of grades

AB 804 — 6 —

7 to 12, inclusive, a pupil completes coursework that meets or exceeds adopted content standards for Algebra I in less than 2 courses. Existing law states the intent of the Legislature that any modification of coursework required by these provisions be incorporated into the other coursework that the governing board of a school district may by rule specify as required for high school graduation.

This bill would apply towards satisfaction of the mathematics requirement for graduation coursework a pupil at any time in any of grades 7 to 12, inclusive, that meets or exceeds adopted content standards for Algebra I. The bill would state the intent of the Legislature that any modification of coursework required by these provisions be incorporated instead into the 2 courses of mathematics required for graduation.

(17) Existing law requires the State Department of Education to establish the California Technology Assistance Project to administer a regionalized network of technical assistance to schools and school districts on the implementation of education technology. Existing law repeals this and related provisions on January 1, 2004.

This bill would extend the repeal date to January 1, 2005.

(18) Existing law establishes the American Indian Early Childhood Education Program and requires the State Department of Education to prepare a request for proposal to contract for an independent evaluation for the program to be performed on or before December 31, 2000, and repeal these provisions on December 31, 2001.

This bill would instead require the evaluation to be performed on or before December 31, 2001, and would extend the repeal date to January 1, 2004.

(19) Existing law establishes the California School Age Families Education program (Cal-SAFE) to provide state funding and assistance to school districts or county superintendents of schools for the purpose of establishing comprehensive, continuous, community linked, school-based programs that focus on youth development, and dropout prevention for pregnant and parenting pupils and child care and development services for their children, if prescribed conditions are met.

This bill would permit applicant agencies that are not in full compliance to submit a timeline and corrective action and be granted, on a case-by-case basis, for an extension until no later than June 30, 2002, of waivers from implementation of prescribed requirements.

—7— AB 804

(20) Existing law defines "referral for assessment" for the purposes of special education and related services to be a request for assessment made by a parent, teacher, or other service provider.

This bill would include within that definition a request by a foster parent, and would set forth the rights of a foster parent in that regard.

(21) Existing law establishes the Intensive Algebra Instruction Academies Program.

This bill would renumber the provisions governing that program.

(22) Existing law provides for the development of a master contract with alternative nonpublic, nonsectarian schools or agencies that provide alternative special education services to districts, special education local plan areas, county offices, and parents. Existing law requires the nonpublic, nonsectarian schools or agencies to file an application for certification with the Superintendent of Public Instruction between January 1 and June 30.

This bill would allow applications to be filed all year.

(23) Existing law requires the governing board of a school district maintaining one or more high schools to adopt textbooks for use in the high schools and authorizes only textbooks of publishers who comply with certain requirements to be adopted.

This bill would require the adoption of instructional materials, defined to include textbooks and other materials that are designed for use by pupils and their teachers as a learning resource, and would authorize only the instructional materials of publishers who comply with certain requirements to be adopted.

(24) Existing law authorizes the governing board of any school district to establish a retiree benefit fund for specified purposes.

This bill would instead authorize the board to establish a pension plan and other employee benefits fund for those same purposes.

(25) Existing law requires a publisher or manufacturer of instructional materials to comply with specified requirements for materials offered for adoption or sale in the state, including the right of the state to transcribe, reproduce, and distribute the material for deaf pupils and pupils with visual disabilities.

This bill would also require a publisher or manufacturer to provide the state with the right to transcribe, reproduce, modify, and distribute the materials for pupils with other disabilities that prevent the use of standard instructional materials. The bill would also require a publisher or manufacturer to provide computer files or other electronic versions AB 804 — 8 —

of the materials to the state within 30 days of adoption and require the state to request those materials as needed for specified purposes.

(26) Existing law establishes the State Instructional Materials Fund in the State Treasury as a means of annually funding the acquisition of instructional materials. Existing law requires the State Board of Education to encumber part of the fund to pay for accessible instructional materials to accommodate pupils with visual disabilities.

This bill would instead require the state board to encumber the fund to pay for those materials to accommodate pupils who are visually impaired or who have disabilities and are unable to access the general curriculum.

(27) Existing law requires the Superintendent of Public Instruction to maintain a central clearinghouse-depository and duplication center for accessible versions of instructional materials and assistive devices and materials for visually impaired pupils.

This bill would also require that the depository and duplication center maintain accessible versions of instructional materials for pupils with other disabilities. The bill would also require that assistive devices in the depository to consist of items designed for use by pupils with visual impairments.

(28) Existing law establishes the Governor's Scholars Program under which a pupil may receive a scholarship for attaining a score on the reading and mathematics portions of the nationally normed statewide achievement test that places the pupil in the top 5% of test takers in his or her grade level statewide or in the top 10% of test takers in his or her grade level in the comprehensive public high school attended by the pupil. In order for a pupil to be eligible for a scholarship under the Governor's Scholars Program, the pupil is required, among other things, to attend a California public school for at least one continuous year prior to the administration of the statewide achievement test upon which the award is based.

This bill would instead require the pupil to have been enrolled at a California public school for at least 12 consecutive months immediately preceding the administration of that test, would provide that a pupil attending any California public school is eligible for the 5% award, would include the California Schools for the Deaf and the California School for the Blind as "comprehensive high schools," and would require that pupils attending these state schools who met the criteria for an award for tests taken in 2000 be given an award.

__ 9 __ AB 804

(29) Existing law establishes the Governor's Distinguished Mathematics and Science Scholars Program, under which a pupil may receive a scholarship for demonstrating specified high academic achievement in mathematics and the sciences, and requires that a pupil, among other things, earn an award under the Governor's Scholars Program to be eligible.

This bill would provide that test scores that are required to be attained for the award of a scholarship under the Governor's Distinguished Mathematics and Science Program, but that are attained before the award of a scholarship under the Governor's Scholars Program, may be used to satisfy the requirements of the Governor's Distinguished Mathematics and Science Program even if the scores were earned before January 1, 2000, but would prohibit a pupil from claiming an award under the Governor's Distinguished Mathematics and Science Program until the pupil has earned an award under the Governor's Scholars Program.

(30) Existing law requires a school district that has a qualified or negative certification regarding its ability to meet its financial obligations to allow the county office of education at least 6 working days to review and comment on any proposed agreement made between the exclusive representative of the employees of the school district and the public school employer.

This bill would impose a similar requirement on a county office of education that has a qualified or negative certification except that the Superintendent of Public Instruction would review and comment on the proposed agreement.

(31) Existing law prohibits a state or local government agency, in connection with competitive bidding for a public building or construction contract, from requiring a bidder to obtain a surety bond or insurance in connection with the project from a particular surety or insurance company, agent, or broker, and authorizes use of owner-controlled or wrap-up insurance on a construction or renovation program for which the total cost exceeds \$50,000,000 if the agency meets certain conditions and certifies that it has made certain determinations. Existing law exempts a construction or renovation project undertaken by a school district from these provisions.

This bill would also exempt a community college district.

(32) Existing law authorizes a joint powers authority to issue bonds in order to purchase or acquire, by sale, assignment, pledge, or other transfer, any or all right, title, and interest of any local agency in and to

AB 804 — 10 —

the enforcement and collection of delinquent and uncollected property taxes, assessments, and other receivables that have been levied by or on behalf of the local agency and placed for collection on the secured, unsecured, or supplemental property tax rolls. Existing law authorizes school districts, among others, to sell, assign, pledge, or otherwise transfer to a joint powers authority their right, title, and interest in and to the enforcement and collection of delinquent and uncollected property taxes, assessments, and other receivables that have been levied by or on behalf of the local agency for collection on the secured, unsecured, or supplemental property tax rolls.

Under existing law, a school district that participates in a joint powers authority using this financing mechanism is required to report an amount equal to 100% of the school district's allocable share of the taxes levied for the fiscal year on its behalf and requires 100% of the school district's allocable share of the delinquent taxes levied for the fiscal year, whether or not the delinquent taxes are ever collected, to be paid by the joint powers authority to the county auditor and distributed to the school district by the county auditor in the same time and manner otherwise specified for the distribution of tax revenues generally to school districts pursuant to current law.

This bill would adjust the amounts to be reported by school districts participating in a joint powers authority and the amounts to be paid by the joint powers authority to the county auditor for distribution to school districts.

(33) Existing law authorizes the California Debt Limitation Allocation Committee to establish the Extra Credit Teacher Home Purchase Program to provide federal mortgage credit certificates and reduced interest rate loans to eligible teachers, principals, vice principals, and assistant principals who agree to teach or provide administration in a low-performing school and defines a low-performing school.

This bill would revise the definition of low-performing schools.

(34) Existing law requires that certain funds appropriated in the Budget Act of 2001 be used solely for the purposes of activities associated with ensuring that the High School Exit Examination and standards-based achievement test are aligned to the state-adopted academic standards.

This bill would allow those funds to also be used for the purpose of additional psychometric and contracting support for those tests thereby making an appropriation.

— 11 — AB 804

(35) Existing law makes available certain funds for the purpose of matching Workforce Invest Act funds and requires the Superintendent of Public Instruction to allocate those funds according to specified priorities.

This bill would instead make those funds available for allocation to support CalWORKs participants who are eligible for youth services in the federal Workforce Investment Act thereby making an appropriation.

(36) Existing law appropriates certain funds for allocation to school districts, county offices of education, and charter schools on the basis of average daily attendance and average daily enrollment in preschool and child care programs operated on schoolsites and requires the average daily enrollment of children served in preschool and child care development programs to be determined by dividing an agency's total number of child days of enrollment in these programs by 180 days.

This bill would instead require an agency's total number of child days of enrollment to be divided by 175 for a preschool program, 246 days for a general or migrant child care program, or 160 days for a schoolage community child care program. The bill would also define schoolsite for these purposes.

(37) Existing law appropriates the sum of \$15,761,000 from the General Fund to the Superintendent of Public Instruction in accordance with a specified schedule, including \$62,000 to the Hilmar Unified School District for street access at Hilmar High School.

The bill would reappropriate the funds for the purposes of street access at Hilmar Middle School to the extent that funding remains available.

(38) Existing law established the Class Size Reduction Program and provides for state apportionments to implement a class size reduction program for kindergarten and grades 1 to 3, inclusive.

This bill would, notwithstanding other provisions of law, set the total apportionment for class size reduction for the Compton Unified School District at \$9,695,028 for the 1999–2000 fiscal year.

(39) Existing law appropriated \$350,000,000 for allocation on a one-time basis to school districts, county offices of education, and charter schools for the Academic Performance Index Schoolsite Employees Performance Bonus with 50% of the funds to be used to provide one-time bonuses, to employees and the other 50% to be used at the discretion of the schoolsite for any one-time purpose.

AB 804 — 12 —

This bill would require that school agency administrative costs and salary-driven benefit costs to be paid from funds appropriated for the schoolsite portion of the funds.

(40) Existing law defines the arts, for purposes of the Summer School for the Arts, as including drama and includes drama as an instructional related activity in the California State University system. Existing law includes references in various provisions to music, drama, art, and the fine arts.

This bill would refer to theatre instead of drama and to the visual and performing arts and would include dance, music, theatre, and visual arts in the visual and performing arts.

- (41) This bill would make technical and clarifying changes and update cross-references in other provisions of the Education Code.
- (42) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 8208 of the Education Code is amended 2 to read:
- 3 8208. As used in this chapter:

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- (a) "Alternative payments" includes payments that are made by one child care agency to another agency or child care provider for the provision of child care and development services, and payments that are made by an agency to a parent for the parent's purchase of child care and development services.
- (b) "Alternative payment program" means a local government agency or nonprofit organization that has contracted with the department pursuant to Section 8220.2 to provide alternative payments and to provide support services to parents and providers.
- (c) "Applicant or contracting agency" means a school district, community college district, college or university, county superintendent of schools, county, city, public agency, private nontax-exempt agency, private tax-exempt agency, or other entity that is authorized to establish, maintain, or operate services
- 18 pursuant to this chapter. Private agencies and parent cooperatives,
- 19 duly licensed by law, shall receive the same consideration as any

— 13 — AB 804

other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.

- (d) "Assigned reimbursement rate" is that rate established by the contract with the agency and is derived by dividing the total dollar amount of the contract by the minimum child day of average daily enrollment level of service required.
- (e) "Attendance" means the number of children present at a child care and development facility. "Attendance," for the purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness or quarantine of their parent, family emergency, or to spend time with a parent or other relative as required by a court of law or that is clearly in the best interest of the child.
- (f) "Capital outlay" means the amount paid for the renovation and repair of child care and development facilities to comply with state and local health and safety standards, and the amount paid for the state purchase of relocatable child care and development facilities for lease to qualifying contracting agencies.
- (g) "Caregiver" means a person who provides direct care, supervision, and guidance to children in a child care and development facility.
- (h) "Child care and development facility" means any residence or building or part thereof in which child care and development services are provided.
- (i) "Child care and development programs" means those programs that offer a full range of services for children from infancy to 14 years of age, for any part of a day, by a public or private agency, in centers and family child care homes. These programs include, but are not limited to, all of the following:
 - (1) Campus child care and development.
 - (2) General child care and development.
- (3) Intergenerational child care and development.
- (4) Migrant worker child care and development.
- 34 (5) Child care provided by the California School Age Families 35 Education Program (Article 7.1 (commencing with Section 36 54740) of Chapter 9 of Part 29.
 - (6) State preschool.
- 38 (7) Resource and referral.
- 39 (8) Severely handicapped.
- 40 (9) Family day care.

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AB 804 — 14 —

1 (10) Alternative payment.

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- 2 (11) Child abuse protection and prevention services.
 - (12) Schoolage community child care.
 - (j) "Child care and development services" means those services designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services may include direct care and supervision, instructional activities, resource and referral programs, and alternative payment arrangements.
 - (k) "Children at risk of abuse, neglect, or exploitation" means children who are so identified in a written referral from a legal, medical, or social service agency, or emergency shelter.
 - (1) "Children with exceptional needs" means children who have been determined to be eligible for special education and related services by an individualized education program team according to the special education requirements contained in Part 30 (commencing with Section 56000), and meeting eligibility criteria described in Section 56026 and Sections 56333 to 56338, inclusive, and Sections 3030 and 3031 of Title 5 of the California Code of Regulations. These children have an active individualized education program, and are receiving appropriate special education and services, unless they are under three years of age and permissive special education programs are available. These children may be developmentally disabled, hard-of-hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, other health impaired, deaf-blind, multihandicapped, or children with specific learning disabilities, who require the special attention of adults in a child care setting.
 - (m) "Children with special needs" includes infants and toddlers under the age of three years; limited-English-speaking-proficient children; children with exceptional needs; limited-English-proficient handicapped children; and children at risk of neglect, abuse, or exploitation.
 - (n) "Closedown costs" means reimbursements for all approved activities associated with the closing of operations at the end of each growing season for migrant child development programs only.

— 15 — AB 804

(o) "Cost" includes, but is not limited to, expenditures that are related to the operation of child care and development programs. "Cost" may include a reasonable amount for state and local contributions to employee benefits, including approved retirement programs, agency administration, and any other reasonable program operational costs. "Cost" may also include amounts for licensable facilities in the community served by the program, including lease payments or depreciation, down payments, and payments of principal and interest on loans incurred to acquire, rehabilitate, or construct licensable facilities, but these costs shall not exceed fair market rents existing in the community in which the facility is located. "Reasonable and necessary costs" are costs that, in nature and amount, do not exceed what an ordinary prudent person would incur in the conduct of a competitive business.

- (p) "Elementary school," as contained in Section 425 of Title 20 of the United States Code (the National Defense Education Act of 1958, Public Law 85-864, as amended), includes early childhood education programs and all child development programs, for the purpose of the cancellation provisions of loans to students in institutions of higher learning.
- (q) "Health services" include, but are not limited to, all of the following:
- (1) Referral, whenever possible, to appropriate health care providers able to provide continuity of medical care.
- (2) Health screening and health treatment, including a full range of immunization recorded on the appropriate state immunization form to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Child Health and Disability Prevention Program (Article 6 (commencing with Section 124025) of Chapter 3 of Part 2 of Division 106 of the Health and Safety Code), but only to the extent that ongoing care cannot be obtained utilizing community resources.
- (3) Health education and training for children, parents, staff, and providers.
- (4) Followup treatment through referral to appropriate health care agencies or individual health care professionals.
- (r) "Higher educational institutions" means the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community

AB 804 — 16 —

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Colleges, and the governing bodies of any accredited private nonprofit institution of postsecondary education.

- (s) "Intergenerational staff" means persons of various generations.
- (t) "Limited-English-speaking-proficient non-English-speaking-proficient children" means children who are unable to benefit fully from an English-only child care and development program as a result of either of the following:
- (1) Having used a language other than English when they first began to speak.
- (2) Having a language other than English predominantly or exclusively spoken at home.
- (u) "Parent" means any person living with a child who has responsibility for the care and welfare of the child.
- (v) "Program director" means a person who, pursuant to Sections 8244 and 8360.1, is qualified to serve as a program director.
- (w) "Proprietary child care agency" means an organization or facility providing child care, which is operated for profit.
- (x) "Resource and referral programs" means programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care. Services frequently include, but are not limited to: technical assistance for providers, toy-lending libraries, equipment-lending libraries, toy- and equipment-lending libraries, staff development programs, health and nutrition education, and referrals to social services.
- (y) "Severely handicapped children" are children who require 29 instruction and training in programs serving pupils with the 30 following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbance, or severe developmental disability. These children, ages birth to 21 years, inclusive, may be assessed by public school special 34 education staff, regional center staff, or another appropriately licensed clinical professional.
 - (z) "Short-term respite child care" means child care service to assist families whose children have been identified through written referral from a legal, medical, or social service agency, or emergency shelter as being neglected, abused, exploited, or homeless, or at risk of being neglected, abused, exploited, or

— 17 — AB 804

homeless. Child care is provided for less than 24 hours per day in child care centers, treatment centers for abusive parents, family child care homes, or in the child's own home.

- (aa) (1) "Site supervisor" means a person who, regardless of his or her title, has operational program responsibility for a child care and development program at a single site. A site supervisor shall hold a permit issued by the Commission on Teacher Credentialing that authorizes supervision of a child care and development program operating in a single site. The Superintendent of Public Instruction may waive the requirements of this subdivision if the superintendent determines that the existence of compelling need is appropriately documented.
- (2) In respect to state preschool programs, a site supervisor may qualify under any of the provisions in this subdivision, or may qualify by holding an administrative credential or an administrative services credential. A person who meets the qualifications of a site supervisor under both Section 8244 and subdivision (e) of Section 8360.1 is also qualified under this subdivision.
- (ab) "Standard reimbursement rate" means that rate established by the Superintendent of Public Instruction pursuant to Section 8265.
- (ac) "Startup costs" means those expenses an agency incurs in the process of opening a new or additional facility prior to the full enrollment of children.
- (ad) "State preschool services" means part-day educational programs for low-income or otherwise disadvantaged prekindergarten-age children.
- (ae) "Support services" means those services which, when combined with child care and development services, help promote the healthy physical, mental, social, and emotional growth of children. Support services include, but are not limited to: protective services, parent training, provider and staff training, transportation, parent and child counseling, child development resource and referral services, and child placement counseling.
- (af) "Teacher" means a person with the appropriate permit issued by the Commission on Teacher Credentialing who provides program supervision and instruction which includes supervision of a number of aides, volunteers, and groups of children.

AB 804 — 18 —

(ag) "Underserved area" means a county or subcounty area, including, but not limited to, school districts, census tracts, or ZIP Code areas, where the ratio of publicly subsidized child care and development program services to the need for these services is low, as determined by the Superintendent of Public Instruction.

- (ah) "Workday" means the time that the parent requires temporary care for a child for any of the following reasons:
 - (1) To undertake training in preparation for a job.
 - (2) To undertake or retain a job.
- (3) To undertake other activities that are essential to maintaining or improving the social and economic function of the family, are beneficial to the community, or are required because of health problems in the family.
- SEC. 2. Section 8264.5 of the Education Code is amended to read:
- 8264.5. The Superintendent of Public Instruction may waive or modify child development requirements in order to enable child development programs to serve combinations of eligible children in areas of low population. The child development programs for which the superintendent may grant waivers shall include, but need not be limited to, state preschool programs, child care provided by the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29), infant care and development services, migrant child care and development programs, campus child care and development programs, and general child care and development programs.
- SEC. 3. Section 8278.3 of the Education Code is amended to read:
- 8278.3. (a) (1) The Child Care Facilities Revolving Fund is hereby established in the State Treasury to provide funding for the purchase of new relocatable child care facilities for lease to school districts and contracting agencies who provide child care and development services, pursuant to this chapter. The Superintendent of Public Instruction may transfer state funds appropriated for child care facilities into this fund for allocation to school districts and contracting agencies, as specified, for the purchase, transportation, and installation of facilities for replacement and expansion of capacity. School districts and contracting agencies using facilities made available by the use of

— 19 — AB 804

these funds shall be charged a leasing fee, either at a fair market value for those facilities or at an amount sufficient to amortize the cost of purchase and relocation, whichever is lower, over a 10-year period. Upon full repayment of the purchase and relocation costs, title shall transfer from the State of California to the school district or contracting agency. The Superintendent of Public Instruction shall deposit all revenue derived from the lease payments into the Child Care Facilities Revolving Fund.

- (2) The Child Care Facilities Revolving Fund may provide for the renovation, repair, or improvement of an existing building, owed by the contracting agency, to expand child care and development services pursuant to this chapter. School districts and the contracting agencies using facilities renovated, repaired, or improved by the use of these funds shall repay the loan in an amount to fully amortize the cost of renovation, repair, or improvement over a period not to exceed 10 years. Agencies receiving a revolving fund loan shall obtain, at their own expense, a title search, title and liability insurance, plans, permits, inspections, and a bond to protect the state's interest until the loan is fully repaid. If the contract for child care and development services is terminated or nonrenewed, the remaining amount on the loan shall be repaid in full by the contractor or the bond shall be forfeited. The Superintendent of Public Instruction shall deposit all revenue derived loan payments into the Child Care Facilities Revolving Fund.
- (3) Notwithstanding Section 13340 of the Government Code, all moneys in the fund, including moneys deposited from lease payments, shall be continuously appropriated, without regard to fiscal year, to the Superintendent of Public Instruction for expenditure pursuant to this article.
- (b) On or before August 1, 1998, and on or before August 1 of each fiscal year thereafter, the Superintendent of Public Instruction shall submit to the Office of the Secretary for Education, the Department of Finance, and the Legislative Analyst's Office a report detailing the number of funding requests received and their purpose, the types of agencies which received this facilities funding, the increased capacity that these facilities generated, a description of how the facilities are being used, and a projection of the lease payments collected and the funds available for future use.

AB 804 — 20 —

1 (c) School districts and county offices of education that operate 2 a Cal-SAFE program pursuant to Article 7.1 (commencing with 3 Section 54740) of Chapter 9 of Part 29 are eligible to apply for and 4 receive funding pursuant to this section.

- SEC. 4. Article 19 (commencing with Section 8420) of Chapter 2 of Part 6 of the Education Code is repealed.
- 7 SEC. 5. Article 19.5 (commencing with Section 8430) of 8 Chapter 2 of Part 6 of the Education Code is repealed.
- 9 SEC. 6. Section 8951 of the Education Code is amended to 10 read:
 - 8951. As used in this chapter, "arts" includes, but is not limited to, all of the following: dance; theatre; music; folk art; creative writing; visual arts, including painting, sculpture, photography, and craft arts; design, including graphic arts, computer graphics, and costume design; film; and video.
 - SEC. 7. Section 10901 of the Education Code is amended to read:
 - 10901. The following terms, wherever used or referred to in this chapter have the following meanings, respectively, unless a different meaning clearly appears from the context:
 - (a) "Public authority" means any city of any class, city and county, county of any class, public corporation or district having powers to provide recreation, or school district in the state.
 - (b) "Governing body" means, in the case of a city, the city council, municipal council, or common council; in the case of a county or city and county, the board of supervisors; in the case of a public corporation or district, the governing board of the public corporation or district; and in the case of a school district, the governing board of the school district.
 - (c) "Recreation" means any activity, voluntarily engaged in, which contributes to the physical, mental, or moral development of the individual or group participating therein, and includes any activity in the fields of visual and performing arts, handicraft, science, literature, nature study, nature contacting, aquatic sports, and athletics, or any of them, and any informal play incorporating any such activity.
 - (d) "Community recreation" and "public recreation" mean the recreation as may be engaged in under direct control of a public authority, or any camping or outdoor recreation activity which is (1) sponsored by a nonprofit organization, (2) for the benefit of

— 21 — AB 804

disadvantaged or handicapped schoolage children, and (3) in a county with a population less than or equal to 45,000 according to the most recent federal census.

- (e) "Nonprofit organization" means those nonprofit organizations which, as determined by the governing board of the school district, are unable to pay for the private transportation of disadvantaged or handicapped schoolage children to recreation activities.
- (f) "Recreation center" means a place, structure, area, or other facility under the jurisdiction of a governing body of a public authority used for community recreation whether or not it may be used primarily for other purposes, playgrounds, playing fields or courts, beaches, lakes, rivers, swimming pools, gymnasiums, auditoriums, libraries, parks adjacent to school sites, recreational community gardens, rooms for arts and crafts, camps, and meeting places.

Playgrounds, outdoor playing fields or courts, swimming pools, and camps, with necessary equipment and appurtenances for their operation, under the jurisdiction of a governing board of a public authority used for community recreation shall be considered recreation centers within the meaning of this chapter whether or not they may be used primarily for other purposes.

- SEC. 8. Section 11023 of the Education Code is amended to read:
- 11023. The Superintendent of Public Instruction, shall recommend, and the State Board of Education shall approve, a plan for the comprehensive evaluation of the program authorized in this chapter. The Superintendent of Public Instruction shall complete the evaluation and submit it to the State Board of Education by July 1, 2004. The State Board of Education shall submit the final evaluation and report to the Legislature by December 31, 2004, on all of the following:
- (a) Changes in the number and percent of pupils who took nationally-normed, standardized tests used for college admission decisions.
- (b) Changes in the school-wide average score on nationally-normed, standardized tests used for college admission decisions.

AB 804 — 22 —

(c) Changes in the number and percentage of pupils who complete the A-F or college preparatory course requirements with at least a "C" grade.

- (d) Changes in the number and percentage of pupils who complete advanced placement courses and received a score of "3" or above.
- (e) Changes in the number of advanced placement courses taken by pupils.
 - (f) Changes in the number and percentage of parents or guardians of 8th grade pupils who were notified of the course requirements that are a prerequisite for admission to the California State University or the University of California.
 - (g) The college participation rates at qualifying schools before and after the implementation of program activities pursuant to this chapter.
 - (h) Recommendations for changes to this chapter that could further increase the percentage of high school pupils eligible for admission to the California State University or the University of California upon graduation from high school.
- SEC. 9. Section 11024.5 of the Education Code is amended to read:
- 11024.5. This chapter shall become inoperative on July 1, 2005, and, as of January 1, 2006, is repealed, unless a later enacted statute that is enacted before January 1, 2006, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 10. Section 17070.75 of the Education Code is amended to read:
- 17070.75. (a) The board shall require the school district to make all necessary repairs, renewals, and replacements to ensure that a project is at all times kept in good repair, working order, and condition. All costs incurred for this purpose shall be borne by the school district.
- (b) In order to ensure compliance with subdivision (a) and to encourage school districts to maintain all buildings under their control, the board shall require an applicant school district to do all of the following prior to the approval of a project:
- (1) Establish a restricted account within the school district's general fund for the exclusive purpose of providing moneys for ongoing and major maintenance of school buildings, according the

— 23 — AB 804

highest priority to funding for the purposes set forth in subdivision (a).

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- (2) Agree to deposit into the account established pursuant to paragraph (1), in each fiscal year for 20 years after receipt of funds under this chapter, a minimum amount equal to or greater than 3 percent of the applicant school district's total general fund expenditures, including other financing uses, for that fiscal year. For the 1998-99 fiscal year and the 1999-2000 fiscal year, a school district may phase in this requirement by agreeing to certify the deposit of no less than 2 percent for the 1998–99 fiscal year and no less than $2^{1}/_{2}$ percent for the 1999–2000 fiscal year. Annual deposits to the fund established pursuant to paragraph (1) in excess of $2^{1}/_{2}$ percent of the district general fund budget may count towards the district's matching funds requirement necessary to receive apportionments from the State School Deferred Maintenance Fund pursuant to Section 17584 to the extent that funds are used for purposes that qualify for funding under that section. In addition, any district contribution to this fund may be provided in lieu of meeting the ongoing maintenance requirements pursuant to Section 17014 to the extent the funds are used for purposes established in that section. A school district that serves as the administrative unit for a special education local plan area may elect to exclude from its total general fund expenditures, for purposes of this paragraph, the distribution of revenues that are passed through to participating members of the special education local plan area. This paragraph is applicable only to the following school districts:
- 28 (A) High school districts with an average daily attendance greater than 300 pupils.
 - (B) Elementary school districts with an average daily attendance greater than 900 pupils.
 - (C) Unified school districts with an average daily attendance greater than 1,200 pupils.
 - (3) Certify that it has publicly approved an ongoing and major maintenance plan that outlines the use of the funds deposited, or to be deposited, pursuant to paragraph (2). The plan may provide that the district need not expend all of its annual allocation for ongoing and major maintenance in the year in which it is deposited if the cost of major maintenance requires that the allocation be carried over into another fiscal year. However, any state funds

AB 804 — 24 —

carried over into a subsequent year shall not be counted toward the annual minimum contribution by the district. A plan developed in compliance with this section shall be deemed to meet the requirements of Section 17585.

- (c) A district to which paragraph (2) of subdivision (b) does not apply shall certify to the board that it can reasonably maintain its facilities with a lesser level of maintenance.
- (d) For the purposes of calculating a county office of education requirement pursuant to this section, the 3 percent maintenance requirement shall be calculated based upon the county office of education general fund less any restricted accounts.
- SEC. 11. Section 17150 of the Education Code is amended to read:
- 17150. (a) Upon the approval by the governing board of the school district to proceed with the issuance of certificates of participation revenue bonds or to enter into any agreement for financing school construction pursuant to Chapter 18 (commencing with Section 17170), the school district shall notify the county superintendent of schools and the county auditor. The superintendent of the school district shall provide the repayment schedules for that debt obligation, and evidence of the ability of the school district to repay that obligation, to the county auditor, the county superintendent, the governing board, and the public. Within 15 days of the receipt of the information, the county superintendent of schools and the county auditor may comment publicly to the governing board of the school district regarding the capability of the school district to repay that debt obligation.
- (b) Upon the approval by the county board of education to proceed with the issuance of certificates of participation or revenue bonds or to enter into any agreement for financing pursuant to Chapter 18 (commencing with Section 17170), the county superintendent of schools or superintendent of a school district for which the county board serves as governing board shall notify the Superintendent of Public Instruction. The county superintendent of schools or the superintendent of a school district for which the county board serves as the governing board shall provide the repayment schedules for that debt obligation and evidence of the ability of the county office of education or school district to repay that obligation, to the Superintendent of Public Instruction, the governing board, and the public. Within 15 days

__ 25 __ AB 804

of the receipt of the information the Superintendent of Public Instruction may comment publicly to the county board of education regarding the capability of the county office of education or school district to repay that debt obligation.

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- (c) Prior to delivery of the notice required by subdivision (a) neither the county nor any of its officers shall have any responsibility for the administration of the school district's indebtedness. Failure to comply with the requirements of this section will not affect the validity of the indebtedness.
- SEC. 12. Section 17582 of the Education Code is amended to read:
- 17582. (a) The governing board of each school district may establish a restricted fund to be known as the "district deferred maintenance fund" for the purpose of major repair or replacement of plumbing, heating, air conditioning, electrical, roofing, and floor systems, the exterior and interior painting of school buildings, the inspection, sampling, and analysis of building materials to determine the presence of asbestos-containing materials, the encapsulation or removal of asbestos-containing materials, and any other items of maintenance approved by the State Allocation Board. Funds deposited in the district deferred maintenance fund may be received from any source whatsoever, and shall be accounted for separately from all other funds and accounts and retained in the district deferred maintenance fund for purposes of this section. The term "school building" as used in this article includes a facility that a county office of education is authorized to use pursuant to Article 3 (commencing with Section 17280) of Chapter 3.
- (b) Funds deposited in the district deferred maintenance fund shall only be expended for maintenance purposes as provided pursuant to subdivision (a).
- (c) The governing board of each school district shall have complete control over the funds and earnings of funds once deposited in the district deferred maintenance fund, provided that no funds deposited in the district deferred maintenance fund pursuant to subdivision (a) or (b) of Section 17584 may be expended by the governing board for any purpose except those specified in subdivision (a) of this section.
- 39 SEC. 13. Section 17584 of the Education Code is amended to 40 read:

AB 804 — 26 —

17584. (a) Whenever, in any given fiscal year, a school district has budgeted, exclusive of state matching funds and district funds previously matched pursuant to subdivision (b), in its deferred maintenance fund established pursuant to Section 17582 an amount equal to, or greater than, that amount the district expended from its general fund for major maintenance, repair, or modernization of existing school buildings, as specified in Section 17582, exclusive of categorical aid funds and any proceeds from the sale of district property which were expended for the purpose of the district deferred maintenance account, in either the 1978–79 or 1979–80 fiscal year, adjusted annually to the current fiscal year in conformance with the percentage change in the district revenue limit computed pursuant to Section 42237 or 42238, the Superintendent of Public Instruction shall so certify to the State Allocation Board.

- (b) The State Allocation Board shall apportion, from the State School Deferred Maintenance Fund, to school districts an amount equal to one dollar (\$1) for each one dollar (\$1) of local funds up to a maximum of $^{1}/_{2}$ percent of the district's current-year revenue limit average daily attendance multiplied by the average, per unit of average daily attendance, of the total expenditures and ending fund balances of the total general funds and adult education funds for districts of similar size and type, as defined in subdivision (b) of Section 42238.4, for the second prior fiscal year, exclusive of any amounts expended for capital outlay, debt service, or revenues that are passed through to other local education agencies, to the extent of funds available.
- (c) Notwithstanding subdivision (a), in order to be eligible to receive state aid pursuant to subdivision (b), no district shall be required to budget from local district funds an amount greater than $^{1}/_{2}$ percent of the district's current-year revenue limit average daily attendance, multiplied by the average, per unit of average daily attendance, of the total expenditures and ending fund balances of the total general funds and adult education funds for districts of similar size and type, as defined in subdivision (b) of Section 42238.4 for the second prior fiscal year, exclusive of any amounts expended for capital outlay, debt service, or revenues that are passed through to other local educational agencies.
- 39 SEC. 14. Section 22303.5 of the Education Code is amended 40 to read:

— 27 — AB 804

22303.5. (a) Notwithstanding any other provision of law, the board shall offer a midcareer retirement information program for the benefit of all members.

- (b) In implementing this section, the board shall develop plans for the development and delivery of information to enhance awareness of the features and benefits of the Defined Benefit Program, and services of the system, federal Social Security Act programs and benefits as they apply to members, and awareness of personal planning responsibilities. This information shall be provided to assist members in understanding the importance of financial, legal, estate, and personal planning, and how choices and options offered by the system may impact retirement.
- (c) The board, at a public meeting, may assess a participation fee for the recovery of all startup and ongoing expenses of the midcareer information program.
- (d) The board shall provide both active and retired members with notice pertaining to paragraph (1) of subdivision (c) of Section 44830 and pertaining to Section 44252.5, making all members aware of the time constraints and possible requirement for passing the state basic skills proficiency test if an individual wants to return to the classroom after 39 months. The methods for providing the notice may include, but are not limited to, any of the following:
 - (1) Inclusion in annual member publications.
- (2) Inclusion within packets of information provided to members upon or prior to retirement.
- (3) Inclusion as an attachment to any warrants issued to members.
- SEC. 15. Section 32228 of the Education Code is amended to read:
- 32228. (a) It is the intent of the Legislature that public schools serving pupils in any of grades 8 to 12, inclusive, have access to supplemental resources to establish programs and strategies that promote school safety and emphasize violence prevention among children and youth in the public schools.
- (b) It is also the intent of the Legislature that public schools have access to supplemental resources to combat bias on the basis of race, color, religion, ancestry, national origin, disability, gender, or sexual orientation, as defined in subdivision (q) of Section 12926 of the Government Code, and to prevent and respond to acts

AB 804 — 28 —

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of hate violence and bias related incidents. Sexual orientation shall not include pedophilia.

- (c) It is further the intent of the Legislature that schoolsites receiving funds pursuant to this article accomplish all of the following goals:
- (1) Teach pupils techniques for resolving conflicts without violence.
- (2) Train school staff and administrators to support and promote conflict resolution and mediation techniques for resolving conflicts between and among pupils.
- (3) Reduce incidents of violence at the schoolsite with an emphasis on prevention and early detection.
- SEC. 16. Section 32228.1 of the Education Code is amended to read:
- 32228.1. (a) The School Safety and Violence Prevention Act is hereby established. This statewide program shall be administered by the Superintendent of Public Instruction, who shall provide funds to school districts serving pupils in any of grades 8 to 12, inclusive, for the purpose of promoting school safety and reducing schoolsite violence. As a condition of receiving funds pursuant to this article, an eligible school district shall certify, on forms and in a manner required by the Superintendent of Public Instruction, that the funds will be used as described.
- (b) From funds appropriated in the annual Budget Act or any other measure, funds shall be allocated to school districts on the basis of prior year enrollment, as reported by the California Basic Educational Data System, of pupils in any of grades 8 to 12, inclusive, for any one or more of the following purposes:
- (1) Providing schools with personnel, including, but not limited to, licensed or certificated school counselors, school social workers, school nurses, and school psychologists, who are trained in conflict resolution. Any law enforcement personnel hired pursuant to this article shall be trained and sworn peace officers.
- (2) Providing effective and accessible on-campus 36 communication devices and other school safety infrastructure
 - (3) Establishing an in-service training program for school staff to learn to identify at-risk pupils, to communicate effectively with those pupils, and to refer those pupils to appropriate counseling.

AB 804

(4) Establishing cooperative arrangements with local law enforcement agencies for appropriate school-community relationships.

- (5) Preventing and responding to acts of hate violence and bias related incidents, including implementation of programs and instructional curricula consistent with the goals set forth in this section and guidelines developed pursuant to paragraph (1) of subdivision (b) of Section 233.
- (6) For any other purpose that the school or school district determines that would materially contribute to meeting the goals and objectives of current law in providing for safe schools and preventing violence among pupils.
- SEC. 17. Section 33533 of the Education Code is amended to 13 14 read:
- The Superintendent of Public Instruction and the State 33533. Board of Education shall consider for membership on the 16 commission persons representing subjects commonly taught in public schools, including:
 - (a) English.
- 20 (b) Social sciences.
- 21 (c) Foreign languages.
- (d) Science. 22

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- 23 (e) Mathematics.
- 24 (f) Visual and performing arts.
- 25 (g) Applied arts.
- (h) Conservation education. 26
- SEC. 18. Section 37220.6 of the Education Code is amended 27 28 to read:
- 29 37220.6. (a) There is hereby created the Cesar Chavez Day 30 of Service and Learning program to promote service to the communities of California in honor of the life and work of Cesar Chavez. The program shall be administered by the California 32 Commission on Improving Life Through Service in collaboration 34 with the California Conservation Corps.
- (b) The California Commission on Improving Life Through 35 36 Service may make grants based on proposals selected through a competitive process from local and state operated Americorps, National Senior Service Corps, Learn and Serve, or Conservation
- Corps programs that submit proposals to engage pupils through
- their schools and school districts in community service that

AB 804 — 30 —

1 qualifies as instructional time on Cesar Chavez Day, pursuant to

- 2 Section 37220.5, and that honors the life and work of Cesar
- 3 Chavez. The programs shall be created and organized in
- 4 consultation with community groups. The Americorps, National
- 5 Senior Service Corps, Learn and Serve, or Conservation Corps
- 6 programs may implement or administer the programs in 7 collaboration with community groups and nonprofit
- 8 organizations. The proposals shall demonstrate all of the
- 9 following:

- (1) The ways and extent to which the program will be a collaborative effort between schools and the Americorps, National Senior Service Corps, Learn and Serve, or Conservation Corps program.
- (2) The ways that the service will be connected to instruction on the life and work of Cesar Chavez provided on Cesar Chavez Day.
- (3) The way in which the service provided will make a meaningful contribution to the community.
- (c) Grants made pursuant to subdivision (b) shall be in the amount of one dollar (\$1) for each participating pupil, or two hundred fifty dollars (\$250) for each school, whichever is greater. The California Commission on Improving Life Through Service may, at its discretion, adjust the grant amount to account for school district size, the size of the project, and the demand on existing funding. Under no circumstances may the amount granted exceed the amount of funding appropriated to carry out this section.
- (d) In order for the community service performed under this program to be counted as instructional time, the service shall be performed under the supervision of a teacher, as defined in subdivision (a) of Section 46300.
- (e) The Superintendent of Public Instruction shall develop or revise, as needed, a model curriculum on the life and work of Cesar Chavez and submit the model curriculum to the State Board of Education for adoption pursuant to subdivision (b) of Section 37220.5. Upon adoption, the Superintendent of Public Instruction shall distribute the model curriculum to each school.
- (f) It is the intent of the Legislature that nothing in this section, or in the act that adds this section, shall be construed to impose a mandate on school districts.

— 31 — AB 804

(g) For the purposes of this section, "school district" includes school districts, charter schools, and county offices of education. SEC. 19. Section 41374 of the Education Code is amended to read:

- 41374. Notwithstanding any other provision of law to the contrary, Section 41372 shall not apply to any elementary school district, high school district, or unified school district, which maintains no individual class session with pupils in attendance exceeding the numbers, for the particular grade levels, following:
 - (a) An elementary school district—twenty-eight (28) pupils.
 - (b) A high school district—twenty-five (25) pupils.
- (c) A unified school district—twenty-eight (28) pupils in respect to grades kindergarten through 8, inclusive; and twenty-five (25) pupils in respect to grades 9 through 12, inclusive.

As used in this section the phrase "individual class session" shall not include any class session held in grades kindergarten through 8, inclusive, in courses in visual and performing arts, industrial arts, and physical education. The phrase shall not include any class session held in grades 9 through 12, inclusive, in courses in commercial arts, visual and performing arts, industrial arts, vocational arts, and physical education. The phrase "individual class session" shall not include any class session held in grades 9 through 12, inclusive, for which two or more individual class groups which come within the descriptions specified by the first paragraph of this section and subdivision (a) or (b), or both, are assembled together in the same room for joint lectures or demonstrations.

Notwithstanding the provisions of subdivisions (b) and (c), grades 7, 8, and 9 of a junior high school shall be deemed to be high school grades for purposes of this section.

SEC. 20. Section 41409 of the Education Code is amended to read:

41409. (a) Commencing with the 1988–89 fiscal year, and annually thereafter, the Superintendent of Public Instruction shall determine the statewide average percentage of school district expenditures that are allocated to the salaries of administrative personnel, as that term is defined in accounts 1200, 1300, 1700, 1800, and 2200 in Part I of the California School Accounting Manual published by the State Department of Education. For

AB 804 — 32 —

1 school districts using the Standardized Account Code Structure.

- 2 the term salaries of administrative personnel are defined in object
- 3 accounts 1300 and 2300 in Part II of the California School
- 4 Accounting Manual. The Superintendent of Public Instruction
- 5 also shall determine the statewide average percentage of school
- 6 district expenditures that are allocated to the salaries of teachers,
- 7 as defined in account 1100 in Parts I and II of the California School
- 8 Accounting Manual. The statewide averages shall be calculated
- 9 for the following types and sizes of school districts:

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11	District	ADA
12	Elementary	less than 1,000
13	Elementary	1,000 to 4,999
14	Elementary	5,000 and greater
15	High School	less than 1,000
16	High School	1,000 to 3,999
17	High School	4,000 and greater
18	Unified	less than 1,500
19	Unified	1,500 to 4,999
20	Unified	5,000 to 9,999
21	Unified	10,000 to 19,999
22	Unified	20,000 and greater

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- (b) Commencing with the 1988–89 fiscal year, and annually thereafter, the Superintendent of Public Instruction shall determine the statewide average salary, by size and type of district, for the following:
 - (1) Beginning, mid-range, and highest salary paid to teachers.
- (2) Schoolsite principals.
- 30 (3) District superintendents.
 - (c) The statewide averages calculated pursuant to subdivisions (a) and (b) shall be provided annually to each school district for use in the school accountability report card.
- 34 SEC. 21. Section 42238.44 of the Education Code is amended 35 to read:
- 36 42238.44. (a) This section shall be known and may be cited as, the Fairness in Education Funding Act.
- 38 (b) (1) For the 2001–02 fiscal year, the Superintendent of 39 Public Instruction shall compute an equalization adjustment for 40 each school district, so that no district's 2000–01 base revenue

-33 - AB 804

limit per unit of average daily attendance is less than the 2000–01 base revenue limit per unit of average daily attendance above which fall not more than 10 percent of the total statewide units of average daily attendance for each category of school district set forth in subdivision (c).

- (2) For purposes of this section, the district base revenue limit and the statewide average base revenue limit shall not include any amounts attributable to Section 45023.4, 46200, or 46201.
- (c) Subdivision (b) shall apply to the following school districts, which shall be grouped according to size and type as follows:

12	District	ADA
13	Elementary	less than 101
14	Elementary	more than 100
15	High School	less than 301
16	High School	more than 300
17	Unified	less than 1,501
18	Unified	more than 1,500

- (d) The Superintendent of Public Instruction shall compute a revenue limit equalization adjustment for each school district's base revenue limit per unit of average daily attendance as follows:
- (1) Multiply the amount computed for each school district pursuant to subdivision (b) by the average daily attendance used to calculate the district's revenue limit for the current fiscal year.
- (2) Divide the amount appropriated for purposes of this section for the then current fiscal year by the statewide sum of the amount computed pursuant to paragraph (1).
- (3) Multiply the amount computed for the school district pursuant to paragraph (1) of subdivision (b) by the amount computed pursuant to paragraph (2).
- (e) (1) For the purposes of this section, the 2000–01 statewide 90th percentile base revenue limit determined pursuant to paragraph (1) of subdivision (b), and the fraction computed pursuant to paragraph (2) of subdivision (d) for the 2000–01 second principal apportionment, shall be final, and shall not be recalculated at subsequent apportionments. The fraction computed pursuant to paragraph (2) of subdivision (d) shall not, under any circumstances, exceed 1.00. For purposes of determining the size of a school district pursuant to subdivision

AB 804 — 34 —

1 (c), county superintendents of schools, in conjunction with the 2 Superintendent of Public Instruction, shall use school district revenue limit average daily attendance for the prior fiscal year as 4 determined pursuant to Section 42238.5 and Article 4 (commencing with Section 42280).

- (2) For the purposes of calculating the size of a school district pursuant to subdivision (c), the Superintendent of Public Instruction shall include units of average daily attendance of any charter school for which the school district is the chartering agency.
- (3) For the purposes of computing the target amounts pursuant to subdivision (b), the Superintendent of Public Instruction shall count all charter school average daily attendance toward the average daily attendance of the school district that is the chartering agency.
- SEC. 22. Section 42239.15 of the Education Code is amended to read:
- 42239.15. (a) For the 2000–01 fiscal year and each fiscal year thereafter, each school district and charter school shall be eligible for reimbursement for hours of pupil attendance claimed for intensive algebra instruction academies offered pursuant to Chapter 18 (commencing with Section 53091) of Part 28 in an amount up to 6 percent of the total enrollment in grades 7 and 8 of the school district or charter school for the prior fiscal year multiplied by 120 hours, multiplied by the hourly rate for the current fiscal year determined pursuant to subdivision (c) of Section 42239. This amount shall be provided in addition to the amount provided pursuant to Section 42239.
- (b) When expending funds received pursuant to this section, a school district shall give first priority for the purpose specified in paragraph (1) of subdivision (d) of Section 53092.
- SEC. 23. Section 42650 of the Education Code is amended to read:
- 42650. With the approval of the county superintendent of schools, the governing board of a school district may cause warrants to be drawn on the county treasury against designated funds, except debt service, of the district in the county treasury in the payment of expenses of the district. The warrants for salary and other types of claims designated by the county superintendent shall be issued by a person designated as the district disbursing officer

__ 35 __ AB 804

for the school district on the county treasury in favor of the persons entitled thereto in payment of all claims in designated categories chargeable against the district which have been legally examined, allowed, and ordered paid by the governing board. The district disbursing officer shall issue warrants, using procedures prescribed by the county auditor, on the county treasury for all debts and demands, within categories designated by the county superintendent, against the district when amounts are legally approved. The form of the warrant shall be prescribed by, and approved by, the county auditor or county treasurer having jurisdiction.

The cost of printing warrants may be charged to the district. Notwithstanding Section 41000, except for assessing and tax collecting, the county auditor and county treasurer may charge those districts that draw their own warrants for the cost of all fiscal services.

Notwithstanding Section 27005 of the Government Code, or any other provision of law requiring orders for warrants or warrants to be signed by the county superintendent of schools or the county auditor, or both, the county superintendent and county auditor may prescribe alternative procedures for districts to issue warrants. The district disbursing officer shall not be considered a deputy county superintendent of schools or a deputy county auditor. The county treasurer shall pay the warrant in the designated category, if district funds are available.

County officers shall not be responsible for providing reports, statements, or other data relating to, or based on, the designated payments of expenses of the district. Those districts issuing warrants, as provided by this section, shall provide the county superintendent of schools, in the form prescribed by him, with the data necessary to make retirement reports and other reports required of him by law. All warrants, vouchers, and supporting documents shall be kept by school districts that draw their own warrants in those designated categories.

The county superintendent shall provide for a periodic review of the districts' financial transactions and internal control pursuant to Section 1241.5.

County superintendents of schools may provide fiscal, budgetary, and data-processing services through contractual

AB 804 — 36 —

agreements to school districts that have been determined to be fiscally accountable under the provisions of this section.

The person authorized by the governing board of the district to issue warrants, pursuant to this section, shall execute an official bond in an amount fixed by the governing board conditioned upon the faithful performance of his duties under this section. A county superintendent or county auditor shall not be liable under the terms of their bonds or otherwise for any warrant issued pursuant to this section. This section shall not be construed as impairing the obligation of any contract in the bond of such officer in effect on January 1, 1977.

A listing of the warrants issued under this section by each school district shall be forwarded to the county auditor having jurisdiction, upon his request, and to the county superintendent of schools having jurisdiction over the district on the same day warrants are issued. The listing, which may be on magnetic tape, punched cards, or in other form, shall report, among other things, the warrant number, date of the warrant, amount of the warrant, the name of the payee, and the fund on which drawn. The form and content of the warrant listing shall be as prescribed by the county auditor or county superintendent and approved by the county auditor or county superintendent having jurisdiction.

Each district which issues warrants pursuant to this section shall furnish monthly to the county superintendent of schools and the county auditor of the county of jurisdiction, upon his request, a statement showing for the current fiscal year to date, for each required expenditure classification, the amount budgeted, actual expenditures, encumbrances and unencumbered balances.

In order to obtain the approval of the county superintendent of schools and county auditor for fiscally accountable status, the governing board of a school district shall file a written application with the county superintendent of schools and county auditor having jurisdiction on forms which the county superintendent shall prescribe. Upon receipt of an application from the district, the county superintendent shall cause an audit to be made of the district's management and accounting controls, in accordance with standards prescribed by him, by an independent certified public accountant or public accountant approved by the county superintendent, who shall report his recommendations to the county superintendent and to the — 37 — AB 804

applicant district. The audit report may include Department of Finance guidelines and other assessments of fiscal management as required by the county superintendent or the audit may be the report of the annual district audit pursuant to Section 41020 if that is acceptable to the county superintendent of schools. The cost of the audit required in support of a district's application for fiscal accountability shall be borne by the applicant district.

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The county superintendent and county auditor shall review the district's application and report of financial management and control and may approve the application if they find the management and accounting controls of the district to be adequate. If the county superintendent and county auditor determine that such management and accounting controls are inadequate, they shall disapprove the application.

A district that applies for fiscal accountability status shall file its written application with the county superintendent of schools on or before September 1. The required audit of financial management and accounting controls shall be filed on or before January 1. When a district's application for fiscal accountability status has been approved by the county superintendent of schools and county auditor, the issuance of warrants by the district pursuant to this section shall be effective at the beginning of a fiscal year, provided that approval had been made prior to the preceding first day in March. If disapproved, the county superintendent of schools shall state the specific steps which must be taken by the applicant school district to receive approval and these changes shall be certified as completed by an independent certified public accountant or public accountant before the county superintendent shall approve the application. If at any time the county superintendent of schools or the county auditor determines that the financial management or accounting controls of the district have become inadequate, either such officer may revoke approval for fiscal accountability status effective immediately.

SEC. 24. Section 42850 of the Education Code is amended to read:

42850. The governing board of any school district may establish a pension plan and other employee benefits fund to accumulate restricted moneys from salary reduction agreements, other contributions for employee retirement benefit payments, or both. Moneys may be transferred to the fund from other funds by

AB 804 — 38 —

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periodic expense charges, in amounts based on existing and future obligation requirements. Payments from the pension plan and other employee benefits fund for insurance, annuities, administrative costs, or any other authorized purpose shall be 5 made in accordance with all warrant approval requirements 6 applicable under this code.

SEC. 25. Section 44395.5 is added to the Education Code, to

44395.5. For the purposes of paragraph (1) of subdivision (a) 10 of Section 44395, "assigned to teach" as used in subdivision (a) of that section may include, but is not limited to, a teacher leadership role as a peer assistance and review coach, mentor, or other teacher support provider if the position does not require an administrative credential. In order to be eligible for an award pursuant to paragraph (1) of subdivision (a) of Section 44395, a teacher shall be assigned to teach for at least 50 percent of a full-time position.

SEC. 26. Section 44503 of the Education Code is amended to read:

- 44503. (a) The governing board of a school district that accepts state funds for purposes of this article agrees to negotiate the development and implementation of the program with the exclusive representative of the certificated employees in the school district, if the certificated employees in the district are represented by an exclusive representative. In a school district in which the certificated employees are not represented, the school district shall develop a Peer Assistance and Review Program for Teachers consistent with this article in order to be eligible to receive funding under this article.
- (b) Functions performed pursuant to this article by certificated employees employed in a bargaining unit position shall not constitute either management or supervisory functions as defined by subdivisions (g) and (m) of Section 3540.1 of the Government Code.
- (c) Teachers who provide assistance and review shall have the 36 same protection from liability and access to appropriate defense as other public school employees pursuant to Division 3.6 (commencing with Section 810) of Title 1 of the Government Code.

— 39 — AB 804

(d) It is the intent of the Legislature that school districts be allowed to combine, by mutual agreement, their programs of peer assistance and review with those of other school districts.

- (e) Not more than 5 percent of the funds received by a school district for the Peer Assistance and Review Program for Teachers may be expended for administrative expenses. For the purposes of this article, administrative expenses shall include expenditures for the personnel costs of program administration and coordination, the cost of consulting teacher selection, and indirect costs associated with the Peer Assistance and Review Program for Teachers.
- SEC. 27. Section 47661.5 is added to the Education Code, to read:
- 47661.5. (a) Notwithstanding any other provision of law, the prior year average daily attendance for a school district determined pursuant to subdivision (b) of Section 47661 shall be increased by the prior year second principal apportionment average daily attendance of district residents only of any school that meets the following description:
- (1) The school was a district noncharter school in any year prior to the prior year.
- (2) The school was operated as a district-approved charter school in the prior year.
- (3) The school is again operated as a district noncharter school in the current year.
- (b) An adjustment to prior year average daily attendance pursuant to this section may not be made for the attendance of pupils who were not residents of the school district in the prior year.
- (c) This section applies to the 2000–01 fiscal year and subsequent fiscal years.
- SEC. 28. Section 47773 of the Education Code is amended to read:
 - 47773. (a) The State Department of Education, in collaboration with the Board of Corrections, shall create an evaluation design for the program that will assess the effectiveness of program implementation and operation.
- 38 (b) The State Department of Education shall contract with an independent evaluator to assess the overall success of the program.

AB 804 — 40 —

(c) Participating county offices of education and school districts shall collect and report outcome measure data to the State Department of Education and any other data to indicate the effect of intervention strategies and program operations on the risk factors used to identify the high-risk youth. The Superintendent of Public Instruction shall annually summarize the data reported. The Superintendent of Public Instruction shall also develop an analysis of the program and suggest recommendations in a final report to be submitted to the Legislature on or before May 1, 2004, and shall provide an interim report to the Legislature by March 1, 2002.

SEC. 29. Section 48264.5 of the Education Code is amended to read:

- 48264.5. Any minor who is required to be reported as a truant pursuant to Section 48260 or 48261 may be required to attend makeup classes conducted on one day of a weekend pursuant to subdivision (c) of Section 37223 and is subject to the following:
- (a) The first time a truancy report is required, the pupil may be personally given a written warning by any peace officer specified in Section 830.1 of the Penal Code. A record of the written warning may be kept at the school for a period of not less than two years, or until the pupil graduates, or transfers, from that school. If the pupil transfers, the record may be forwarded to any school receiving the pupil's school records. A record of the written warning may be maintained by the law enforcement agency in accordance with that law enforcement agency's policies and procedures.
- (b) The second time a truancy report is required within the same school year, the pupil may be assigned by the school to an afterschool or weekend study program located within the same county as the pupil's school. If the pupil fails to successfully complete the assigned study program, the pupil shall be subject to subdivision (c).
- (c) The third time a truancy report is required within the same school year, the pupil shall be classified a habitual truant, as defined in Section 48262, and may be referred to, and required to attend, an attendance review board or a truancy mediation program pursuant to Section 48263 or pursuant to Section 601.3 of the Welfare and Institutions Code. If the district does not have a truancy mediation program, the pupil may be required to attend a comparable program deemed acceptable by the school district's

—41 — AB 804

attendance supervisor. If the pupil does not successfully complete the truancy mediation program or other similar program, the pupil shall be subject to subdivision (d).

- (d) The fourth time a truancy is required to be reported within the same school year, the pupil shall be within the jurisdiction of the juvenile court which may adjudge such the pupil to be a ward of the court pursuant to Section 601 of the Welfare and Institutions Code. If the pupil is adjudged a ward of the court, the pupil shall be required to do one or more of the following:
- (1) Performance at court-approved community services sponsored by either a public or private nonprofit agency for not less than 20 hours but not more than 40 hours over a period not to exceed 90 days, during a time other than the pupil's hours of school attendance or employment. The probation officer shall report to the court the failure of the pupil to comply with this paragraph.
- (2) Payment of a fine by the pupil of not more than one hundred dollars (\$100) for which a parent or guardian of the pupil may be jointly liable.
- (3) Attendance of a court-approved truancy prevention program.
- (4) Suspension or revocation of driving privileges pursuant to Section 13202.7 of the Vehicle Code. This subdivision shall apply only to a pupil who has attended a school attendance review board program, a program operated by a probation department acting as a school attendance review board, or a truancy mediation program pursuant to subdivision (c).
- SEC. 30. Section 51210 of the Education Code is amended to read:
- 51210. The adopted course of study for grades 1 to 6, inclusive, shall include instruction, beginning in grade 1 and continuing through grade 6, in the following areas of study:
- (a) English, including knowledge of, and appreciation for literature and the language, as well as the skills of speaking, reading, listening, spelling, handwriting, and composition.
- (b) Mathematics, including concepts, operational skills, and problem solving.
- (c) Social sciences, drawing upon the disciplines of anthropology, economics, geography, history, political science, psychology, and sociology, designed to fit the maturity of the pupils. Instruction shall provide a foundation for understanding

AB 804 — 42 —

the history, resources, development, and government of California and the United States of America; the development of the American economic system including the role of the entrepreneur and labor; the relations of persons to their human and natural environment; eastern and western cultures and civilizations; contemporary issues; and the wise use of natural resources.

- (d) Science, including the biological and physical aspects, with emphasis on the processes of experimental inquiry and on the place of humans in ecological systems.
- (e) Visual and performing arts, including instruction in the subjects of dance, music, theatre, and visual arts, aimed at the development of aesthetic appreciation and the skills of creative expression.
- (f) Health, including instruction in the principles and practices of individual, family, and community health.
- (g) Physical education, with emphasis upon the physical activities for the pupils that may be conducive to health and vigor of body and mind, for a total period of time of not less than 200 minutes each 10 schooldays, exclusive of recesses and the lunch period.
- (h) Other studies that may be prescribed by the governing board.
- SEC. 31. Section 51220 of the Education Code is amended to read:
- 51220. The adopted course of study for grades 7 to 12, inclusive, shall offer courses in the following areas of study:
- (a) English, including knowledge of and appreciation for literature, language, and composition, and the skills of reading, listening, and speaking.
- (b) Social sciences, drawing upon the disciplines of anthropology, economics, geography, history, political science, psychology, and sociology, designed to fit the maturity of the pupils. Instruction shall provide a foundation for understanding the history, resources, development, and government of California and the United States of America; instruction in our American legal system, the operation of the juvenile and adult criminal justice systems, and the rights and duties of citizens under the criminal and civil law and the State and Federal Constitutions; the development of the American economic system, including the role of the entrepreneur and labor; the relations of persons to their

—43 — AB 804

human and natural environment; eastern and western cultures and civilizations; human rights issues, with particular attention to the study of the inhumanity of genocide, slavery, and the Holocaust, and contemporary issues.

- (c) Foreign language or languages, beginning not later than grade 7, designed to develop a facility for understanding, speaking, reading, and writing the particular language.
- (d) Physical education, with emphasis given to physical activities that are conducive to health and to vigor of body and mind.
- (e) Science, including the physical and biological aspects, with emphasis on basic concepts, theories, and processes of scientific investigation and on the place of humans in ecological systems, and with appropriate applications of the interrelation and interdependence of the sciences.
- (f) Mathematics, including instruction designed to develop mathematical understandings, operational skills, and insight into problem solving procedures.
- (g) Visual and performing arts, including dance, music, theatre, and visual arts, with emphasis upon development of aesthetic appreciation and the skills of creative expression.
- (h) Applied arts, including instruction in the areas of consumer and homemaking education, industrial arts, general business education, or general agriculture.
- (i) Career technical education designed and conducted for the purpose of preparing youth for gainful employment in the occupations and in the numbers that are appropriate to the personnel needs of the state and the community served and relevant to the career desires and needs of the pupils.
- (j) Automobile driver education, designed to develop a knowledge of the provisions of the Vehicle Code and other laws of this state relating to the operation of motor vehicles, a proper acceptance of personal responsibility in traffic, a true appreciation of the causes, seriousness and consequences of traffic accidents, and to develop the knowledge and attitudes necessary for the safe operation of motor vehicles. A course in automobile driver education shall include education in the safe operation of motorcycles.
 - (k) Other studies as may be prescribed by the governing board.

AB 804 — 44 —

1 SEC. 32. Section 51224.5 of the Education Code is amended 2 to read:

- 51224.5. (a) The adopted course of study for grades 7 to 12, inclusive, shall include algebra as part of the mathematics area of study pursuant to subdivision (f) of Section 51220.
- (b) Commencing with the 2003–04 school year and each year thereafter, at least one course, or a combination of the two courses in mathematics required to be completed pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 51225.3 by pupils while in grades 9 to 12, inclusive, prior to receiving a diploma of graduation from high school, shall meet or exceed the rigor of the content standards for Algebra I, as adopted by the State Board of Education pursuant to Section 60605.
- (c) If at any time, in any of grades 7 to 12, inclusive, or in any combination of those grades, a pupil completes coursework that meets or exceeds the academic content standards for Algebra. Those courses shall apply towards satisfying the requirements of subparagraph (B) of paragraph (1) of subdivision (a) of Section 51225.3.
- 20 SEC. 33. Section 51511 of the Education Code is amended to read:
 - 51511. Nothing in this code shall be construed to prevent, or exclude from the public schools, references to religion or references to or the use of religious literature, dance, music, theatre, and visual arts or other things having a religious significance when such references or uses do not constitute instruction in religious principles or aid to any religious sect, church, creed, or sectarian purpose and when such references or uses are incidental to or illustrative of matters properly included in the course of study.
- 31 SEC. 34. Section 51810 of the Education Code is amended to read:
 - 51810. The governing board of any school district maintaining secondary schools is authorized without the approval of the State Department of Education to establish and maintain community service classes in civic, vocational, literacy, health, homemaking, technical and general education, including but not limited to classes in the fields of dance, music, theatre, visual arts, handicraft, science, literature, nature study, nature contacting, aquatic sports and athletics. These classes shall be designed to

__ 45 __ AB 804

provide instruction and to contribute to the physical, mental, moral, economic, or civic development of the individuals or groups enrolled therein.

SEC. 35. Section 51874 of the Education Code is amended to read:

51874. Sections 51871, 51872, 51873, this section, and the heading of this article shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 36. Section 52066 of the Education Code is amended to read:

52066. The State Department of Education shall prepare a request for proposal in consultation with an advisory committee consisting of a representative of one or more American Indian organizations, the Department of Finance, and the Legislative Analyst to contract for an independent evaluation of this program to be performed on or before December 31, 2001.

SEC. 37. Section 52067 of the Education Code is amended to read:

52067. This chapter shall remain in effect only until January 1, 2004, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2004, deletes or extends that date.

SEC. 38. Section 52334 of the Education Code is amended to read:

52334. Indirect costs charged to regional occupational centers and programs may not exceed that of the school district or county office of education, as appropriate, prior year indirect cost rate as approved by the State Department of Education.

The indirect costs charged by county offices of education and school districts that provide regional occupational centers and programs services on behalf of the county office of education or joint powers authority, when added together, may not exceed the indirect cost rate approved by the State Department of Education for the county office of education or the school district, whichever is higher.

Revenue limit funds apportioned to a county office of education or school district for regional occupational centers and programs must be expended on programs and services offered by the regional occupational centers and programs.

AB 804 — 46 —

1 SEC. 39. Section 52523 of the Education Code is amended to 2 read:

- 52523. Adult education programs, courses, and classes shall not be used to supplant the regular high school curriculum for high school pupils enrolled in adult education. Adult education shall supplement and enrich the high school pupil's educational experiences. Therefore, adult education, at a minimum, shall meet the following criteria:
- (a) All programs, courses, and classes conducted as adult education shall be open to adults and listed in the district's catalog of adult education classes provided to the public and shall be under the supervision and jurisdiction of the adult education administrator as determined by the school district governing board. Adults shall have priority over other students for admission to any adult education class if those adults enroll not later than the regular enrollment period for those classes. The enrollment period shall be published in the course catalog. No course required by the school district for high school graduation or necessary for pupils to maintain satisfactory academic progress shall be offered exclusively through the adult education program. An adult for purposes of this section is a person 18 years of age or older or other person who is not concurrently enrolled in a regular high school program.
- (b) Each adult education teacher, whether part time or full time, under contract status or in an hourly position, shall be part of the adult school faculty and shall be under the direct supervision of the authorized adult education administrator.
- (c) Enrollment of high school pupils shall be voluntary on the part of the pupil taking the class. Prior to enrollment by a high school pupil in an adult education program, class, or course, the pupil shall have documentation of the counseling session held pursuant to subdivision (b) of Section 52500.1.
- (d) Enrollment of a high school pupil in an adult education program, course, or class shall be for sound educational purposes, including, but not limited to, the following:
- (1) The adult education program, course, or class is not offered in the regular high school curriculum.
- (2) The adult education program, course, or class is needed by the pupil to make up deficient credits for graduation from high school.

— 47 — AB 804

(3) The adult education program, course, or class allows the pupil to gain vocational and technical skills beyond that provided by the regular high school's vocational and technical education program.

- (4) The adult education program, course, or class, supplements and enriches the high school pupil's educational experience.
- (e) A high school pupil shall not be enrolled for apportionment purposes in an adult education program, course, or class that would be considered any of the following:
 - (1) Physical education.
 - (2) Driver's training and education.
- 12 (3) Visual and performing arts.
 - (4) Band.

- (5) Preparation of a school yearbook or school newspaper.
- (6) Training for, or participation in, athletic camps, cheerleading or spirit organizations, student government, or extracurricular student clubs.

The Superintendent of Public Instruction shall issue a program advisory that further defines the purposes set forth in subdivision (d) and the courses set forth in subdivision (e). The superintendent is authorized to issue, at any time, rules and regulations instead of the program advisory.

- SEC. 40. Section 52761 of the Education Code is amended to read:
- 52761. (a) Each elementary school and junior high school or middle school participating in the project shall submit to the superintendent a proposal, which shall include all of the following:
- (1) A description of the plant, animal, river, creek, wetlands, or other natural area that the pupils have selected.
- (2) A description of strategies that the pupils plan to use to educate other pupils and members of the community about the various benefits of a specific local wildlife species, river, creek, wetland, or other natural area and to identify any impacts to that natural resource. Strategies may include, but need not be limited to, exhibits, public education forums, media events, oral presentations, dance, music, theatre, visual arts, and writing projects.
- (3) An action plan designed to monitor and promote the conservation of the selected wildlife species or natural area, while seeking collaborative ways to resolve the identified impacts.

AB 804 — 48 —

 (b) Each participating school shall select a wildlife species or natural area based on the close proximity of the plant, animal, river, creek, wetlands, or other natural area, the feasibility of studying it, and the effectiveness of the course of action that might occur to preserve the species or area.

- (c) Pupils shall be encouraged to use appropriate local and state resources, including science faculty and students in postsecondary education institutions and educational materials that are balanced and objective in their coverage of the current scientific and economic research on environmental and conservation issues, to obtain information to assist them in the selection of wildlife species or natural areas and the development of their proposals.
- (d) School faculty and any advisers to pupils engaged in a wildlife or natural area conservation project pursuant to the Life Sciences and Conservation Education Project of 1998 shall ensure that pupils gain a full understanding and appreciation of the rights and responsibilities of public and private property owners under the Constitutions of the United States and California. Any projects or strategies undertaken pursuant to the Life Sciences and Conservation Education Project of 1998 shall respect the rights of private landowners and shall strive to build cooperative relationships within the community to protect local wildlife populations or natural areas.
- (e) Pupils participating in the Life Sciences and Conservation Education Project of 1998 shall not as part of the project engage in activities for the purposes of influencing legislative or administrative action.
- SEC. 41. Section 53029 of the Education Code is amended to read:
- 53029. (a) Except as provided in subdivision (b), intensive reading instruction provided pursuant to this article shall be offered four hours per day for six continuous weeks during the summer or when school is not regularly in session.
- (b) Due to facilities constraints or for other educational reasons, a school district may offer intensive reading instruction before school, after school, on Saturdays, or during intersession, or in a combination of summer school, before school, after school, Saturday, or intersession instruction. Services may be provided to pupils during the regular instructional day if the instruction is delivered by a certificated employee, provided that the employee

— 49 — AB 804

is not the pupil's regular classroom teacher, and does not result in the pupil being removed from regular classroom instruction. Instruction provided pursuant to this section shall fulfill the requirements of subdivision (a) of Section 44830 and of Section 44831. Other service providers should have appropriate training 5 6 in the teaching of reading.

(c) Notwithstanding Section 49550 or any other provision of law, a school district that operates a program pursuant to this article is not required to provide a meal or snack to pupils participating in the program.

SEC. 42. The heading of Chapter 17 (commencing with Section 53081) of Part 28 of the Education Code, as added by Chapter 404 of the Statutes of 2000, is amended to read:

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CHAPTER 18. INTENSIVE ALGEBRA INSTRUCTION ACADEMIES **PROGRAM**

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- SEC. 43. Section 53081 of the Education Code, as added by Chapter 404 of the Statutes of 2000, is amended and renumbered to read:
- 53091. This chapter shall be known and may be cited as the Intensive Algebra Instruction Academies Program.
- SEC. 44. Section 53082 of the Education Code, as added by Chapter 404 of the Statutes of 2000, is amended and renumbered to read:
- 53092. (a) A school district or charter school that maintains grade 7 or 8, or both, may operate a program that provides multiple, intensive opportunities for pupils in either of these grades to practice skills in prealgebra, algebra, or both. Funding for the program established pursuant to this chapter shall be provided pursuant to Section 42239.15.
- (b) As a condition of receiving funding for this program, a school district or charter school in which one or more teachers participate in the program authorized by Section 99223 is required to offer instruction as described in subdivision (a), to be provided by the teachers attending that program. These school districts and charter schools shall offer this instruction only after those teachers have completed the program authorized by Section 99223.
- Nothing in this subdivision shall be interpreted as precluding
- teachers in these school districts who have not participated in the

AB 804 — 50 —

program authorized by Section 99223 from providing instruction as described in subdivision (a).

- (c) Pupils shall remain eligible for participation in the program established pursuant to this chapter for three calendar months after completing grade 8.
- (d) The purposes of the program established by this chapter include, but are not limited to, both of the following:
- (1) To provide pupils who are experiencing difficulty learning prealgebra and algebra with increased instructional opportunities.
- (2) To provide stimulating and enriching opportunities for pupils to increase their prealgebra and algebra skills.
- (e) (1) Instruction provided pursuant to this program shall include all of the following components:
- (A) Mathematics principles generally used in a prealgebra course or an introductory algebra course.
- (B) Ongoing diagnostic techniques that inform teaching and assessment.
 - (C) Early intervention techniques.
- (2) Instruction provided pursuant to this chapter shall be consistent with state-adopted academic content standards and with the curriculum framework on mathematics adopted by the State Board of Education for kindergarten and grades 1 to 12, inclusive.
- SEC. 45. Section 53083 of the Education Code, as added by Chapter 404 of the Statutes of 2000, is amended and renumbered to read:
- 53093. (a) (1) Except as provided in paragraph (2), intensive prealgebra and algebra instruction provided pursuant to this chapter shall be offered four hours per day for six continuous weeks during the summer or when school is not regularly in session.
- (2) Due to facilities constraints or for other educational reasons, a school district may offer intensive prealgebra and algebra instruction before school, after school, on Saturdays, or during intersession, or in a combination of summer school, after school, Saturday, or intersession instruction.
- (b) Instruction provided pursuant to this chapter shall fulfill the requirements of subdivision (a) of Section 44830 and of Section 44831.
- (c) Notwithstanding Section 49550 or any other provision of law, a school district that operates a program pursuant to this

— 51 — AB 804

chapter is not required to provide a meal or snack to pupils 2 participating in the program.

- SEC. 46. Section 53084 of the Education Code, as added by 3 4 Chapter 404 of the Statutes of 2000, is amended and renumbered 5 to read:
 - 53094. The Superintendent of Public Instruction shall provide for an evaluation of the program established pursuant to this chapter on or before November 1, 2002. If funds are needed for this purpose, it is the intent of the Legislature that funds be appropriated for this purpose in the annual Budget Act.
 - SEC. 47. Section 54746 of the Education Code is amended to read:
 - 54746. (a) In meeting the goals of the program and responding to the individual needs and differences of pupils and their children to be served, the funded agency shall complete an intake procedure regarding each pupil and child upon entry into the program and periodically as needed thereafter.
 - (b) Based upon the information provided during the intake procedure pursuant to subdivision (a), the funded agency shall determine appropriate levels and types of services to be provided. These services may not duplicate services currently provided to the pupil by a local Adolescent Family Life Program or Cal-Learn program. In addition to an academic program that meets district standards, necessary support services for pupils shall be funded by the calculation pursuant to paragraph (1) of subdivision (a) of Section 54749. Allowable expenditures for support services are as follows:
 - (1) Parenting education and life skills class.
 - (2) Perinatal education and care, including childbirth preparation.
 - (3) Safe home-to-school transportation.
 - (4) Case management services.

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- (5) Comprehensive health education, including reproductive 34 health care.
 - (6) Nutrition education, counseling, and meal supplements.
 - (7) School safety and violence prevention strategies targeted to pregnant and parenting teens and their children.
 - (8) Academic support and youth development services, such as tutoring, mentoring, and community service internships.
 - (9) Career counseling, preemployment skills, and job training.

AB 804 <u>__ 52 __</u>

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(10) Substance abuse prevention education, counseling, and 1 2 treatment services.

- (11) Mental health assessment, interventions, and referrals.
- (12) Crisis intervention counseling services, including suicide prevention.
 - (13) Peer support groups and counseling.
- (14) Family support and development services, including individual and family counseling.
- (15) Child and domestic abuse prevention education, 10 counseling, and services.
 - (16) Enrichment and recreational activities, as appropriate.
 - (17) Services that facilitate transition to postsecondary education, training, or employment.
 - (18) Support services for grandparents, siblings, and fathers of babies who are not enrolled in the Cal-SAFE program.
 - (19) Outreach activities to identify eligible pupils and to educate the community about the realities of teen pregnancy and parenting.
 - (c) The funded agency shall provide child care and development program services located on or near the schoolsite for the children of teen parents enrolled in the Cal-SAFE program. Program services shall be funded by the revenue generated pursuant to paragraph (4) of subdivision (a) of Section 54749.
 - (1) Participation in the child care and development component of the Cal-SAFE program shall be voluntary.
 - (2) There is no minimum age for enrollment, but the child shall be eligible for enrollment in the child care and development component until the age of five years or the child is enrolled in kindergarten, whichever occurs first, as long as the teen parent is enrolled in the Cal-SAFE program.
 - (3) Each child shall have a health evaluation form signed by a physician, or his or her designee, before the child is allowed on the school campus or is enrolled in the child care and development program. Health screening and immunizations shall not be required when the custodial parent annually files a written request as provided for in Section 49451 and Section 120365 of the Health and Safety Code.
- (4) A developmental profile shall be maintained for each 38 infant, toddler, and child. This development profile shall be

__ 53 __ AB 804

utilized by the program staff to design a program that meets the infant's, toddler's, or child's developmental needs.

- (5) The arrangement of the child care site environment shall be safe, healthy, and comfortable for children and staff, easily maintained, and appropriate for meeting the developmental needs of the individual child. Child care sites shall meet the health and safety requirements specified in Chapter 1 (commencing with Section 101151) of, and Subchapter 2 (commencing with Section 101351) of, Division 12 of Title 22 of the California Code of Regulations.
- (6) The child care and development component of the Cal-SAFE program shall operate pursuant to applicable sections of Chapter 2 (commencing with Section 8200) of Part 6. In addition to meeting the requirements of Section 8360, teachers shall have at least three semester units, or the equivalent number of quarter units, of coursework related to the care of infants and toddlers.
- (7) The child care site shall be available as a laboratory for parenting or related courses that are offered by the funded agency with priority given to pupils enrolled in the Cal-SAFE program.
- (d) Inservice training for school staff on teen pregnancy and parenting-related issues may be funded from revenue generated pursuant to paragraphs (1) and (4) of subdivision (a) of Section 54749. However, use of these funds for this purpose shall supplement and, not supplant, existing resources in these areas.
- (e) The database required pursuant to paragraph (14) of subdivision (c) of Section 54745 may be funded from revenue appropriated for purposes of subdivision (a) of Section 54749.
- SEC. 48. Section 54746.5 is added to the Education Code, to read:
- 54746.5. (a) Local education agencies that are applying to operate a Cal-SAFE program pursuant to Section 54749 but which are not in full compliance may submit a timeline and a corrective action plan for approval by the Superintendent of Public Instruction on a case-by-case basis to extend, to no later than June 30, 2002, a waiver from implementation of the child care and development requirements set forth in paragraph (7) of subdivision (c) of Section 54745 and in subdivision (c) of Section 54746.

AB 804 — 54 —

- (b) Local education agencies that are applying to operate a Cal-SAFE program pursuant to Section 2551.3 but are not in full compliance may submit a timeline and a corrective action plan for approval by the Superintendent of Public Instruction on a case-by-case basis to extend, to no later than June 30, 2002, a waiver from implementation of the child care and development physical environment requirements pursuant to paragraph (5) of subdivision (c) of Section 54746, and as set forth in subdivision (d) of Section 101238 of, Section 101238.2 of, subdivision (a) of Section 101238.3 of, subdivisions (b) and (c) of Section 101238.4 of, subdivisions (e), (h), and (j) of Section 101239 of, and paragraph (2) of subdivision (a) of Section 101239.2 of, Title 22 of the California Code of Regulations.
- (c) If the Superintendent of Public Instruction finds that a local education agency that has submitted a timeline and a corrective action plan pursuant to this section has not complied with all provisions of the corrective action plan as approved by the Superintendent of Public Instruction, the local education agency shall be ineligible for any funding pursuant to Section 2551.3 after the date of mailing of the written notification of noncompliance to the local education agency.
- (d) For teachers in Cal-SAFE child care programs operated pursuant to Section 54749, the Superintendent of Public Instruction may waive the qualification requirements of paragraph (6) of subdivision (c) of Section 54746 for the 2001–02 fiscal year if the superintendent determines that the existence of compelling need is appropriately documented and the applicant is making satisfactory progress toward securing a permit issued by the Commission on Teacher Credentialing.
- (e) For teachers in Cal-SAFE child care programs operated pursuant to Section 2551.3, the Superintendent of Public Instruction may waive the qualification requirements of paragraph (6) of subdivision (c) of Section 54746 until June 30, 2002, if the superintendent determines that the existence of compelling need is appropriately documented and the applicant is making satisfactory progress toward securing a permit issued by the Commission of Teacher Credentialing.
- 38 SEC. 49. Section 54749 of the Education Code is amended to read:

__ 55 __ AB 804

54749. (a) For the 2000–01 fiscal year and each fiscal year thereafter, a school district or county superintendent of schools participating in Cal-SAFE shall be eligible for state funding from funds appropriated for services provided for the purposes of the program as follows:

(1) A support services allowance of two thousand two hundred thirty-seven dollars (\$2,237) for each unit of average daily attendance generated by each pupil who has completed the intake process pursuant to subdivision (a) of Section 54746 and is receiving services pursuant to subdivision (b) of Section 54746. This allowance shall be adjusted annually by the inflation factor set forth in subdivision (b) of Section 42238.1. In no event shall more than one support service allowance be generated by any pupil concurrently enrolled in more than one educational program.

This allowance may not be claimed for units of average daily attendance reported pursuant to the following:

- (A) Subdivision (b) of Section 1982 for pupils attending county community schools operated pursuant to Chapter 6.5 of Part 2 (commencing with Section 1980).
- (B) Pupils attending juvenile court schools operated pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27.
- (C) Pupils attending community day schools operated pursuant to Article 3 (commencing with Section 48660) of Chapter 4 of Part 27.
- (D) Pupils attending county operated Cal-SAFE programs pursuant to this article whose attendance is reported pursuant to Section 2551.3.
- (2) Average daily attendance and revenue limit funding for pupils receiving services in the Cal-SAFE program shall be computed pursuant to provisions and regulations applicable to the educational program or programs that each pupil attends, except as provided in paragraph (3).
- (3) For attendance not claimed pursuant to paragraph (2), county offices of education may claim the statewide average revenue limit per unit of average daily attendance for high school districts, payable from Section A of the State School Fund, for the attendance of pupils receiving services in the Cal-SAFE program, provided that no other revenue limit funding is claimed for the

AB 804 — 56 —

same pupil and pupil attendance of no less than 240 minutes per day and is computed and maintained pursuant to Section 46300.

- (4) Except as provided in subdivision (c) of Section 54749.5, operators of Cal-SAFE programs shall be reimbursed in accordance with the amount specified in subdivision (b) of Section 8265 and the amounts specified in subdivisions (a) and (b) of Section 8265.5 for each child receiving services pursuant to the Cal-SAFE program who is the child of teen parents enrolled in the Cal-SAFE program. To be eligible for funding pursuant to this paragraph, the operational days of child care and development programs shall be only those necessary to provide child care services to children of pupils participating in Cal-SAFE.
- (5) Notwithstanding paragraph (1), pupils for whom attendance is reported pursuant to subdivision (b) of Section 1982, pupils attending juvenile court schools, and pupils attending community day schools may complete the intake process for the Cal-SAFE program and, if the intake process is completed, shall receive services pursuant to subdivision (b) of Section 54746. The children of pupils receiving services in the Cal-SAFE program pursuant to subdivision (b) of Section 54746 and attending juvenile court schools, county community schools, or community day schools shall be eligible for funding pursuant to paragraph (4) and no other provisions of this section.
- (b) Funds allocated pursuant to paragraph (1) of subdivision (a) shall be maintained in a separate account and shall be expended only to provide the supportive services enumerated in subdivisions (b) of Section 54746, in service training as specified in subdivision (d) of Section 54746, and expenditures enumerated in subdivision (d) of this section, to pupils enrolled in the Cal-SAFE program as determined pursuant to Section 54746.
- (c) Funds allocated pursuant to paragraph (4) of subdivision (a) shall be maintained in a separate account and shall be expended only to provide developmentally appropriate child care and development services pursuant to subdivision (c) of Section 54746 and staff development of child development program staff pursuant to subdivision (d) of Section 54746 for children of teen parents enrolled in the Cal-SAFE program for the purpose of promoting the children's development comparable to age norms, access to health and preventive services, and enhanced school readiness.

__ 57 __ AB 804

(d) Funds generated pursuant to Section 2551.3, subdivision (b) of Section 54749.5, and this section shall be maintained in a separate account and shall be expended only to provide the services enumerated in Section 54746 and the following expenditures as defined by the California State School Accounting Manual:

- (1) Expenditures defined as direct costs of instructional programs.
 - (2) Expenditures defined as documented direct support costs.
 - (3) Expenditures defined as allocated direct support costs.
 - (4) Expenditures for indirect charges.

- (5) Expenditures defined as facility costs, including the costs of renting, leasing, lease purchase, remodeling, or improving buildings.
- (e) Indirect costs shall not exceed the lesser of the approved indirect cost rate or 10 percent.
- (f) Expenditures that represent contract payments to community-based organizations and other governmental agencies pursuant to paragraph (10) of subdivision (b) of Section 54745 for the operation of a Cal-SAFE program shall be included in the Cal-SAFE program account.
- (g) To the extent permitted by federal law, any funding made available to a school district or county superintendent of schools shall be subject to all of the following conditions:
- (1) The program is open to all eligible pupils without regard to any pupil's religious beliefs or any other factor related to religion.
 - (2) No religious instruction is included in the program.
- (3) The space in which the program is operated is not used in any manner to foster religion during the time used for operation of the program.
- (h) A school district or county superintendent of schools implementing a Cal-SAFE program may establish a claims process to recover federal funds available for any services provided that are Medi-Cal eligible.
- (i) For purposes of serving pupils enrolled in the Cal-SAFE program in a summer school program or enrolled in a school program operating more than 180 days, eligibility for child care services pursuant to subdivision (c) of Section 54746 shall be determined by the parent's hours of enrollment and shall be for

AB 804 — 58 —

only those hours necessary to further the completion of the parent's educational program.

- (j) To meet startup costs for the opening of child care and development sites, as defined in subdivision (ac) of Section 8208, and applicable regulations, a school district or county office of education may apply for a one-time 15-percent service level exemption within the amount appropriated in the annual Budget Act for the purposes of paragraph (4) of subdivision (a) for each site meeting the provision of subdivision (ac) of Section 8208. To the extent that Budget Act funding is insufficient to cover the full costs of Cal-SAFE child care, reimbursements to all participating programs shall be reduced on a pro rata basis. A school district or county office of education shall submit claims pursuant to this subdivision with other claims submitted pursuant to this section. Funding provided for startup costs shall be utilized for approvable startup costs enumerated in subdivision (a) of Section 8275.
- (k) Notwithstanding any other provision of this article, its implementation of this article is contingent upon appropriations in the annual Budget Act for the purpose of its administration and evaluation by the State Department of Education.
- (*l*) Notwithstanding any other provision of law, a charter school may apply for funding pursuant to this article and shall meet the requirements of this article to be eligible for funding pursuant to this section.
- SEC. 50. Section 56026 of the Education Code is amended to read:
- 56026. "Individuals with exceptional needs" means those persons who satisfy all the following:
- (a) Identified by an individualized education program team as a child with a disability, as that phrase is defined in subparagraph (A) of paragraph (3) of Section 1401 of Title 20 of the United States Code.
- (b) Their impairment, as described by subdivision (a), requires instruction, services, or both, which cannot be provided with modification of the regular school program.
 - (c) Come within one of the following age categories:
- (1) Younger than three years of age and identified by the district, the special education local plan area, or the county office as requiring intensive special education and services, as defined by the State Board of Education.

__ 59 __ AB 804

(2) Between the ages of three to five years, inclusive, and identified by the district, the special education local plan area, or the county office pursuant to Section 56441.11.

(3) Between the ages of five and 18 years, inclusive.

- (4) Between the ages of 19 and 21 years, inclusive; enrolled in or eligible for a program under this part or other special education program prior to his or her 19th birthday; and has not yet completed his or her prescribed course of study or who has not met proficiency standards prescribed pursuant to Sections 51215 and 51216.
- (A) Any person who becomes 22 years of age during the months of January to June, inclusive, while participating in a program under this part may continue his or her participation in the program for the remainder of the current fiscal year, including any extended school year program for individuals with exceptional needs established pursuant to regulations adopted by the State Board of Education, pursuant to Article 1 (commencing with Section 56100) of Chapter 2.
- (B) Any person otherwise eligible to participate in a program under this part shall not be allowed to begin a new fiscal year in a program if he or she becomes 22 years of age in July, August, or September of that new fiscal year. However, if a person is in a year-round school program and is completing his or her individualized education program in a term that extends into the new fiscal year, then the person may complete that term.
- (C) Any person who becomes 22 years of age during the months of October, November, or December while participating in a program under this act shall be terminated from the program on December 31 of the current fiscal year, unless the person would otherwise complete his or her individualized education program at the end of the current fiscal year.
- (D) No school district, special education local plan area, or county office of education may develop an individualized education program that extends these eligibility dates, and in no event may a pupil be required or allowed to attend school under the provisions of this part beyond these eligibility dates solely on the basis that the individual has not met his or her goals or objectives.
- (d) Meet eligibility criteria set forth in regulations adopted by the board, including, but not limited to, those adopted pursuant to Article 2.5 (commencing with Section 56333) of Chapter 4.

AB 804 — 60 —

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(e) Unless disabled within the meaning of subdivisions (a) to (d), inclusive, pupils whose educational needs are due primarily to limited English proficiency; a lack of instruction in reading or disabilities: mathematics: temporary physical social maladjustment; or environmental, cultural, or economic factors are not individuals with exceptional needs.

SEC. 51. Section 56029 of the Education Code is amended to read:

56029. "Referral for assessment" means any written request 10 for assessment to identify an individual with exceptional needs made by any of the following:

- (a) A parent or guardian of the individual.
- (b) A teacher or other service provider of the individual.
- (c) A foster parent of the individual, consistent with the limitations contained in federal law.

Section 56044 of the Education Code is repealed. SEC. 52. SEC. 53. Article 3.7 (commencing with Section 56055) is added to Chapter 1 of Part 30 of the Education Code, to read:

Article 3.7. Foster Parents

(a) (1) Except as provided in subdivision (b), a foster parent shall, to the extent permitted by federal law, including, but not limited to, Section 300.20 of Title 34 of the Code of Federal Regulations, have the rights related to his or her foster child's education that a parent has under Title 20 (commencing with Section 1400) of the United States Code and pursuant to Part 300 (commencing with Section 300.1) of Title 34 of the Code of Federal Regulations. The foster parent may represent the foster child for the duration of the foster parent-foster child relationship in matters relating to identification, assessment, instructional planning and development, educational placement, reviewing and revising an individualized education program, if necessary, and in all other matters relating to the provision of a free appropriate public education of the child. Notwithstanding any other provision of law, this representation shall include the provision of written consent to the individualized education program, including nonemergency medical services, mental health treatment services, and occupational or physical therapy services pursuant to this

— 61 — AB 804

chapter. The foster parent may sign any consent relating to individualized education program purposes.

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- (2) A foster parent exercising rights relative to a foster child under this section may consult with the parent or guardian of the child to ensure continuity of health, mental health, or other services.
- (b) A foster parent who had been excluded by court order from making educational decisions on behalf of a pupil shall not have the rights relative to the pupil set forth in subdivision (a).
- SEC. 54. Section 56200 of the Education Code is amended to read:
- 56200. Each local plan submitted to the superintendent under this part shall contain all the following:
- (a) Compliance assurances, including general compliance with the Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), and this part.
- (b) A description of services to be provided by each district and county office. This description shall demonstrate that all individuals with exceptional needs shall have access to services and instruction appropriate to meet their needs as specified in their individualized education programs.
- (c) (1) A description of the governance and administration of the plan, including the role of county office and district governing board members.
- (2) Multidistrict plans, submitted pursuant to subdivision (b) or (c) of Section 56195.1, shall specify the responsibilities of each participating county office and district governing board in the policymaking process, the responsibilities of the superintendents of each participating district and county in the implementation of the plan, and the responsibilities of district and county administrators of special education in coordinating the administration of the local plan.
- (d) Copies of joint powers agreements or contractual agreements, as appropriate, for districts and counties that elect to enter into those agreements pursuant to subdivision (b) or (c) of Section 56195.1.
- 38 (e) An annual budget plan to allocate instructional personnel 39 service units, support services, and transportation services directly 40 to entities operating those services and to allocate regionalized

AB 804 — 62 —

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services funds to the county office, responsible local agency, or other alternative administrative structure. The annual budget plan shall be adopted at a public hearing held by the district, special education local plan area, or county office, as appropriate. Notice 5 of this hearing shall be posted in each school in the local plan area 6 at least 15 days prior to the hearing. The annual budget plan may be revised during the fiscal year, and these revisions may be submitted to the superintendent as amendments to the allocations set forth in the plan. However, the revisions shall, prior to 9 submission to the superintendent, be approved according to the 10 11 policymaking process, established pursuant to paragraph (2) of 12 subdivision (c).

- (f) Verification that the plan has been reviewed by the community advisory committee and that the committee had at least 30 days to conduct this review prior to submission of the plan to the superintendent.
- (g) A description of the identification, referral, assessment, instructional planning, implementation, and review in compliance with Chapter 4 (commencing with Section 56300).
- (h) A description of the process being utilized to meet the requirements of Section 56303.
- (i) A description of the process being utilized to meet the requirements of the California Early Intervention Services Act, Title 14 (commencing with Section 95000) of the Government Code.
- (j) A description of the process being utilized to oversee and evaluate placements in nonpublic, nonsectarian schools and the method for ensuring that all requirements of each pupil's individualized education program are being met. This description shall include a method for evaluating whether the pupil is making appropriate educational progress.
- SEC. 55. Section 56207 of the Education Code is amended to read:
- 56207. (a) No educational programs and services already in operation in school districts or a county office of education pursuant to Part 30 (commencing with Section 56000) shall be transferred to another school district or a county office of education or from a county office of education to a school district unless the special education local plan area has developed a plan

-- 63 -- AB 804

for the transfer which addresses, at a minimum, all of the following:

(1) Pupil needs.

- (2) The availability of the full continuum of services to affected pupils.
- (3) The functional continuation of the current individualized education programs of all affected pupils.
- (4) The provision of services in the least restrictive environment from which affected pupils can benefit.
 - (5) The maintenance of all appropriate support services.
- (6) The assurance that there will be compliance with all federal and state laws and regulations and special education local plan area policies.
- (7) The means through which parents and staff were represented in the planning process.
- (b) The date on which the transfer will take effect may be no earlier than the first day of the second fiscal year beginning after the date on which the sending or receiving agency has informed the other agency and the governing body or individual identified in subparagraph (A) of paragraph (12) of subdivision (a) of Section 56205, unless the governing body or individual identified in subparagraph (A) of paragraph (12) of subdivision (a) of Section 56205 unanimously approves the transfer taking effect on the first day of the first fiscal year following that date.
- (c) If either the sending or receiving agency disagree with the proposed transfer, the matter shall be resolved by the alternative resolution process established pursuant to paragraph (5) of subdivision (b) of Section 56205.
- (d) Notwithstanding Section 56208, this section shall apply to all special education local plan areas commencing on July 1, 1998, whether or not a special education local plan area has submitted a revised local plan for approval or has an approved revised local plan pursuant to Section 56836.03.
- SEC. 56. Section 56366.1 of the Education Code is amended to read:
- 56366.1. (a) A nonpublic, nonsectarian school or agency that seeks certification shall file an application with the superintendent on forms provided by the department and include the following information on the application:

AB 804 — 64 —

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(1) A description of the special education and designated instruction and services provided to individuals with exceptional needs if the application is for nonpublic, nonsectarian school certification.

- (2) A description of the designated instruction and services provided to individuals with exceptional needs if the application is for nonpublic, nonsectarian agency certification.
- (3) A list of appropriately qualified staff, a description of the credential, license, or registration that qualifies each staff member to render special education or designated instruction and services, and copies of their credentials, licenses, or certificates of registration with the appropriate state or national organization that has established standards for the service rendered.
 - (4) An annual operating budget.
- (5) Affidavits and assurances necessary to comply with all applicable federal, state, and local laws and regulations which include criminal record summaries required of all nonpublic school or agency personnel having contact with minor children under Section 44237.
- (b) If the applicant operates a facility or program on more than one site, each site shall be certified.
- (c) If the applicant is part of a larger program or facility on the same site, the superintendent shall consider the effect of the total program on the applicant. A copy of the policies and standards for the nonpublic, nonsectarian school or agency and the larger program shall be available to the superintendent.
- (d) Prior to certification, the superintendent shall conduct an onsite review of the facility and program for which the applicant seeks certification. The superintendent may be assisted by representatives of the special education local plan area in which the applicant is located and a nonpublic, nonsectarian school or agency representative who does not have a conflict of interest with the applicant. The superintendent shall conduct an additional onsite review of the facility and program within four years of the certification effective date, unless the superintendent conditionally certifies the school or agency or unless the superintendent receives a formal complaint against the school or agency. In the latter two cases, the superintendent shall conduct an onsite review at least annually.

-- 65 -- AB 804

(e) The superintendent shall make a determination on an application within 120 days of receipt of the application and shall certify, conditionally certify, or deny certification to the applicant. If the superintendent fails to take one of these actions within 120 days, the applicant is automatically granted conditional certification for a period terminating on August 31, of the current school year. If certification is denied, the superintendent shall provide reasons for the denial. The superintendent may certify the school or agency for a period of not longer than four years.

- (f) Certification becomes effective on the date the nonpublic, nonsectarian school or agency meets all the application requirements and is approved by the superintendent. Certification may be retroactive if the school or agency met all the requirements of this section on the date the retroactive certification is effective. Certification expires on December 31 of the terminating year.
- (g) The superintendent shall annually review the certification of each nonpublic, nonsectarian school and agency. For this purpose, a certified school or agency shall annually update its application between August 1 and October 31, unless the board grants a waiver pursuant to Section 56101. The superintendent may conduct an onsite review as part of the annual review.
- (h) The superintendent may monitor a nonpublic, nonsectarian school or agency onsite at any time without prior notice when there is substantial reason to believe that there is an immediate danger to the health, safety, or welfare of a child. The superintendent shall document the concern and submit it to the nonpublic, nonsectarian school or agency at the time of the onsite monitoring. The superintendent shall require a written response to any noncompliance or deficiency found.
- (i) (1) Notwithstanding any other provision of law, the superintendent may not certify a nonpublic, nonsectarian school or agency that proposes to initiate or expand services to pupils currently educated in the immediate prior fiscal year in a juvenile court program, community school pursuant to Section 56150, or other nonspecial education program, including independent study or adult school, or both, unless the nonpublic, nonsectarian school or agency notifies the county superintendent of schools and the special education local plan area in which the proposed new or expanded nonpublic, nonsectarian school or agency is located of its intent to seek certification.

AB 804 — 66 —

(2) The notification shall occur no later than the December 1 prior to the new fiscal year in which the proposed or expanding school or agency intends to initiate services. The notice shall include the following:

- (A) The specific date upon which the proposed nonpublic, nonsectarian school or agency is to be established.
 - (B) The location of the proposed program or facility.
- (C) The number of pupils proposed for services, the number of pupils currently served in the juvenile court, community school, or other nonspecial education program, the current school services including special education and related services provided for these pupils, and the specific program of special education and related services to be provided under the proposed program.
 - (D) The reason for the proposed change in services.
- (E) The number of staff that will provide special education and designated instruction and services and hold a current valid California credential or license in the service rendered or certificate of registration to provide occupational therapy.
- (3) In addition to the requirements in subdivisions (a) through (e), inclusive, the superintendent shall require and consider the following in determining whether to certify a nonpublic, nonsectarian school or agency as described in this subdivision:
- (A) A complete statement of the information required as part of the notice under paragraph (1).
- (B) Documentation of the steps taken in preparation for the conversion to a nonpublic, nonsectarian school or agency, including information related to changes in the population to be served and the services to be provided pursuant to each pupil's individualized education program.
- (4) Notwithstanding any other provision of law, the certification becomes effective no earlier than July 1, if the school or agency provided the notification required pursuant to paragraph (1).
- (j) The school or agency shall be charged a reasonable fee for certification. The superintendent may adjust the fee annually commensurate with the statewide average percentage inflation adjustment computed for revenue limits of unified school districts with greater than 1,500 units of average daily attendance if the percentage increase is reflected in the district revenue limit for

— 67 — AB 804

1 inflation purposes. For purposes of this section, the base fee shall2 be the following:

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4	(1) 1–5 pupils	\$ 150
5	(2) 6–10 pupils	250
6	(3) 11–24 pupils	500
7	(4) 25–75 pupils	750
8	(5) 76 pupils and over	1,000

The school or agency shall pay this fee when it applies for certification and when it updates its application for annual review by the superintendent. The superintendent shall use these fees to conduct onsite reviews, which may include field experts. No fee shall be refunded if the application is withdrawn or is denied by the superintendent.

- (k) (1) Notwithstanding any other provision of law, only those nonpublic, nonsectarian schools and agencies that provide special education and designated instruction and services utilizing staff who hold, or are receiving training under the supervision of staff who hold, a current valid California credential or license in the service rendered shall be eligible to receive certification. Only those nonpublic, nonsectarian schools or agencies located outside of California that employ staff who hold a current valid credential or license to render special education and related services as required by that state shall be eligible to be certified.
- (2) Nothing in this subdivision restricts student teachers, interns, or other staff who are enrolled in training programs that lead to a license or credential that authorize the holder to render services to special education pupils and who are under the direct supervision of a staff member who holds a current valid California credential, license, or certificate of registration document.
- (3) A nonpublic, nonsectarian school or agency that employs only persons who hold a valid California credential authorizing substitute teaching pursuant to Section 56060 shall not be certified. At least one full-time person with a current valid California credential, license, or certificate of registration in the area of service to be rendered, or a current valid credential, license, or certificate of registration for appropriate special education and related services rendered that is required in another state, shall be

AB 804 — 68 —

required for purposes of certification under subdivision (d) of Section 56366.

- (4) A nonpublic, nonsectarian school or agency that employs persons holding a valid emergency credential shall document efforts of recruiting appropriately credentialed, licensed, or registered personnel for the special education and related services rendered as a condition of renewing certification.
- (5) Not later than August 1, 1997, the State Board of Education shall issue emergency regulations to implement the subdivision. The emergency regulations shall be developed by the Superintendent of Public Instruction, in collaboration with the Commission on Teacher Credentialing and other public agencies responsible for issuing licenses or certificates of registration to individuals providing designated instruction and services to individuals with exceptional needs. The regulations also shall be developed in consultation with statewide organizations representing public and nonpublic, nonsectarian schools or agencies that provide special education and designated instruction and services. The emergency regulations shall include, but shall not be necessarily limited to, all of the following:
- (A) Requirements for minimum personnel qualifications for credentials to provide special education to individuals with exceptional needs issued by the Commission on Teacher Credentialing pursuant to this code and applicable federal laws.
- (B) Requirements for minimum personnel qualifications for licenses or certifications of registration to provide designated instruction and services to individuals with exceptional needs issued by the California Board of Medical Quality Assurance, the Board of Behavioral Science Examiners, the Board of Consumer Affairs, and other state licensure agencies that are authorized under the Business and Professions Code to grant licenses or certificates of registration that may be applicable to the provision of designated instruction and services to individuals with exceptional needs.
- (C) Requirements for personnel who are not licensed or credentialed to provide special education or designated instruction and services to pupils under the supervision of a credentialed or licensed professional in the service rendered, including direct and nondirect supervision requirements established by this code and the Business and Professions Code, and related regulations.

— 69 — AB 804

(D) Requirements for the certification of nonpublic, nonsectarian schools and agencies to provide individual and group designated instruction and services to individuals with exceptional needs.

- (6) For purposes of the Administrative Procedure Act, the Legislature declares that the regulations issued pursuant to paragraph (5) shall be deemed to be in response to an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare by ensuring that all personnel providing special education and designated instruction and services to individuals with exceptional needs are appropriately qualified to provide the services specified by a pupil's individualized education program.
- (*l*) The superintendent shall establish guidelines for the implementation of subdivision (a) in consultation with statewide organizations representing providers of special education and designated instruction and services. The State Board of Education shall approve the standards not later than August 1, 1997.
- (m) (1) By September 30, 1998, the superintendent shall, in consultation with statewide organizations representing providers of special education and designated instruction and services, develop the procedures, methods, and areas of certification, including, but not limited to, the following:
- (A) Information required for purposes of the application specified in subdivision (a).
- (B) Procedures for conducting onsite reviews of the nonpublic, nonsectarian school or agency program.
- (C) Provisions specific to minimum staff qualifications to provide special education and designated instruction and services that are required for certification.
- (D) Provisions specific to the provision of special education and related services to individuals with exceptional needs from birth to preschool.
- (2) The board shall issue as rules and regulations the procedures, methods, and areas of certification developed pursuant to paragraph (1).
- (n) In addition to meeting the standards adopted by the board, a nonpublic, nonsectarian school or agency shall provide written assurances that it meets all applicable standards relating to fire, health, sanitation, and building safety.

AB 804 — 70 —

1 SEC. 57. Section 56391 of the Education Code is amended to 2 read:

56391. An individual with exceptional needs who meets the criteria for a certificate or document described in Section 56390 shall be eligible to participate in any graduation ceremony and any school activity related to graduation in which a pupil of similar age without disabilities would be eligible to participate. The right to participate in graduation ceremonies does not equate a certificate or document described in Section 56390 with a regular high school diploma.

SEC. 58. Section 56836.02 of the Education Code is amended to read:

56836.02. (a) The superintendent shall apportion funds from Section A of the State School Fund to districts and county offices of education in accordance with the allocation plan adopted pursuant to Section 56836.05, unless the allocation plan specifies that funds be apportioned to the administrative unit of the special education local plan area. If the allocation plan specifies that funds be apportioned to the administrative unit of the special education local plan area, the administrator of the special education local plan area shall, upon receipt, distribute the funds in accordance with the method adopted pursuant to subdivision (i) of Section 56195.7. The allocation plan shall, prior to submission to the superintendent, be approved according to the local policymaking process established by the special education local plan area.

- (b) The superintendent shall apportion funds for regionalized services and program specialists from Section A of the State School Fund to the administrative unit of each special education local plan area. Upon receipt, the administrator of a special education local plan area shall direct the administrative unit of the special education local plan area to distribute the funds in accordance with the budget plan adopted pursuant to paragraph (1) of subdivision (b) of Section 56205.
- SEC. 59. Section 60061 of the Education Code is amended to read:
- 36 60061. (a) A publisher or manufacturer shall do all of the following:
 - (1) Furnish the instructional materials offered by the publisher at a price in this state that, including all costs of transportation to that place, does not exceed the lowest price at which the publisher

—71 — AB 804

offers those instructional materials for adoption or sale to any state or school district in the United States.

- (2) Automatically reduce the price of those instructional materials to any governing board to the extent that reductions are made elsewhere in the United States.
- (3) Provide any instructional materials free of charge in this state to the same extent as that received by any state or school district in the United States.
- (4) Guarantee that all copies of any instructional materials sold in this state are at least equal in quality to the copies of those instructional materials that are sold elsewhere in the United States, and are kept revised, free from all errors, and up to date as may be required by the state board.
- (5) Not in any way, directly or indirectly, become associated or connected with any combination in restraint of trade in instructional materials, or enter into any understanding, agreement, or combination to control prices or restrict competition in the sale of instructional materials for use in this state.
- (6) Maintain a representative, office, or depository in the State of California or arrange with an independently owned and operated depository in the State of California to receive and fill orders for instructional materials.
- (7) Provide to the state, at no cost, computer files or other electronic versions of each state-adopted literary title and the right to transcribe, reproduce, modify, and distribute the material in Braille, large print if the publisher does not offer a large print edition, recordings, American Sign Language videos for the deaf, or other specialized accessible media exclusively for use by pupils with visual disabilities or other disabilities that prevent use of standard instruction materials. Computer files or other electronic versions of instructional materials adopted for kindergarten and grades 1 to 8, inclusive, and for grades 9 to 12, inclusive, shall be provided within 30 days of a request by the state as needed for the following purposes:
- (A) Computer files or other electronic versions of literary titles shall maintain the structural integrity of the standard instruction materials, be compatible with commonly used Braille translation and speech synthesis software, and include corrections and revisions as may be necessary.

AB 804 — 72 —

(B) Computer files or other electronic versions of nonliterary titles, including science and mathematics, shall be provided when technology is available to convert those materials to a format that maintains the structural integrity of the standard instructional materials and is compatible with Braille translation and speech synthesis software.

- (b) Upon the willful failure of the publisher or manufacturer to comply with the requirements of this section, the publisher or manufacturer be liable to the governing board in the amount of three times the total sum that the publisher or manufacturer was paid in excess of the price required under paragraphs (1), (2), and (5) of subdivision (a), and in the amount of three times the total value of the instructional materials and services that the governing board is entitled to receive free of charge under subdivision (a).
- SEC. 60. Section 60240 of the Education Code is amended to read:
- 60240. (a) The State Instructional Materials Fund is hereby continued in existence in the State Treasury. The fund shall be a means of annually funding the acquisition of instructional materials as required by the Constitution of the State of California. Notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the State Department of Education without regard to fiscal years for carrying out the purposes of this part. It is the intent of the Legislature that the fund shall provide for flexibility of instructional materials.
- (b) The State Department of Education shall administer the fund under policies established by the state board.
- (c) (1) The state board shall encumber part of the fund to pay for accessible instructional materials to accommodate pupils who are visually impaired pursuant to Sections 60312 and 60313 or have other disabilities and are unable to access the general curriculum.
- (2) The state board may encumber funds, in an amount not to exceed two hundred thousand dollars (\$200,000), for replacement of instructional materials, obtained by a school district with its allowance that are lost or destroyed by reason of fire, theft, natural disaster, or vandalism.

— 73 — AB 804

(3) The state board may encumber funds for the costs of warehousing and transporting instructional materials it has acquired.

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- SEC. 61. Section 60313 of the Education Code is amended to read:
- 60313. (a) The Superintendent of Public Instruction shall maintain a central clearinghouse-depository and duplication center for the design, production, modification, and distribution of Braille, large print, special recordings, and other accessible versions of instructional materials for use by pupils with visual impairments or other disabilities who are enrolled in the public schools of California.
- (b) Assistive devices placed in the depository shall consist of items designed for use by pupils with visual impairments.
- (c) The instructional materials in specialized media shall be available, in a manner determined by the State Board of Education, to other pupils with disabilities enrolled in the public schools of California who are unable to progress in the general curriculum using conventional print copies of textbooks and other study materials.
- (d) The specialized textbooks, reference books, recordings, study materials, tangible apparatus, equipment, and other similar items shall be available for use by students with visual impairments enrolled in the public community colleges, the California State University, and the University of California.
- SEC. 62. Section 60400 of the Education Code is amended to read:
- 60400. The governing board of each school district maintaining one or more high schools shall adopt instructional materials for use in the high schools under its control. Only instruction materials of those publishers who comply with the requirements of Article 3 (commencing with Section 60040) and Article 4 (commencing with Section 60060) of Chapter 1 of this part and of Section 60226 may be adopted by the district board.
- SEC. 63. Section 63051 of the Education Code is amended to 36 read:
 - 63051. (a) The Superintendent of Public Instruction, with the approval of the State Board of Education, shall select not more than 75 school districts that apply to participate in the pilot project established pursuant to this chapter.

AB 804 — 74 —

 (b) Each school district that applies to participate in the pilot project established pursuant to this chapter shall submit a project budget with the application. The project budget shall specify how categorical program funding will be allocated or reallocated under the pilot project. No school district may participate in the pilot project unless the district's proposed plan is approved by the State Board of Education.

- (c) The superintendent shall determine the 25 largest school districts in the state on the basis of pupil enrollment as of October 1999. From this list, the superintendent shall select no more than one school district from the largest five school districts and no more than four school districts from the remaining 20 largest school districts to participate in the pilot project. If more than one of the largest five school districts applies, or more than four school districts from the remaining 20 school districts applies, the superintendent shall select those school districts to participate in the pilot project by lottery.
- (d) After making selections pursuant to subdivision (b), the superintendent may select up to 70 additional participants from applicant school districts. The superintendent shall ensure that participating school districts are broadly representative of the state, including small school districts, urban school districts, rural school districts, suburban school districts, elementary school districts, high school districts, and unified school districts.
- (e) A school district approved for participation shall have a minimum of five years of expenditure flexibility as described in this chapter commencing on and after the 2000–01 fiscal year.
- SEC. 64. Section 69995 of the Education Code is amended to read:
- 69995. (a) It is the intent of the Legislature in enacting this article to encourage high school pupils to study hard and master the California academic content standards adopted by the State Board of Education and to excel in mathematics and the sciences.
- (b) The Scholarshare Investment Board, known hereafter as "the board," unless otherwise specified, shall administer the programs authorized by this article, including the adoption of rules and regulations as provided by subdivision (d) of Section 69981, and in so doing shall cooperate with the State Department of Education, the Treasurer's office, the Controller, the college board, private test publishing companies, and other entities

—75 — AB 804

necessary to ensure the accurate and timely identification and reporting of award recipients, granting of awards, and administration of these programs. The State Department of Education shall ensure that the contract with the test publisher selected pursuant to Section 60642 reflects the reporting requirements of this article and that the publisher meets those requirements.

- (c) The definitions in Section 69980 apply to this article.
- (d) To be eligible for an award pursuant to the programs authorized by this article, a pupil shall meet all of the following eligibility criteria:
- (1) Take the achievement test authorized by Section 60640 in grade 9, 10, or 11.
- (2) Have been enrolled at a California public school for at least 12 consecutive months immediately preceding the administration of the achievement test specified in paragraph (1), as evidenced by his or her school records obtained pursuant to administration of the program authorized by this article.
 - (3) Take both of the following:

- (A) The nationally normed reading and mathematics portions of the achievement test, as specified by the State Board of Education and authorized by Section 60640.
- (B) The English/language arts and mathematics portions of the achievement test authorized by Section 60640 that are augmented and aligned, pursuant to subdivision (f) of Section 60644, with the California academic content standards, unless otherwise exempted by action of the State Board of Education.
- (e) Awards made pursuant to this article shall be an entitlement to pupils identified as qualifying for an award pursuant to this article. The State Department of Education shall annually provide the board with an estimate of the number of pupils with qualifying scores by October 15. Upon receipt of the estimate on or before October 15, the board shall deposit a single amount equal to the sum of the amounts of the awards earned by qualifying pupils into a single account separate and apart from all participant accounts within the Golden State Scholarshare Trust in the names of those pupils. Scholarship assets may not be commingled for investment purposes with participant accounts. Notwithstanding the provisions of Section 69991, all assets of the scholarship account, while part of the Golden State Scholarshare Trust, are owned by

AB 804 — 76 —

the state until used to pay the qualified higher education expenses of the beneficiary.

- (f) The entity contracted for the assessment authorized by Section 60640 shall annually, on or before January 15, provide the board a digital report that contains a final list of pupils identified as qualifying for an award pursuant to this article. To ensure that this digital report is accurate and is prepared on a timely basis, all corrections and revisions to the data that is used to prepare the digital report shall be submitted to the State Department of Education on or before November 15 of the preceding year.
- (g) Deposits made to this account shall be invested according to the guidelines established by the board pursuant to the requirements of state and federal law. The deposits shall be invested through a guaranteed funding agreement with an interest rate to be declared annually by the investment manager, or through another investment determined by the board to be equally or more secure. For purposes of this section, a guaranteed funding agreement is an approved investment vehicle for state-owned scholarship funds.
- (h) Nothing in this article shall be construed to prevent any pupil from seeking private or other funding sources to supplement the amount of any funds awarded pursuant to this article.
- (i) Award recipients shall be informed that the programs authorized by this article do not guarantee in any way that higher education expenses will be equal to projections and estimates provided by the board, nor that the claimant will be guaranteed any of the following:
 - (1) Admission to an institution of higher education.
- (2) If admitted, a determination that the award recipient is a resident for tuition purposes by the institution of higher education.
- (3) Continued attendance at the institution of higher education following admission.
 - (4) Graduation from the institution of higher education.
- (5) Savings sufficient to fully cover all qualified education expenses of attending an institution of higher education.
- (j) Notwithstanding any other provision of state law, any funds awarded pursuant to this article shall augment and not supplant student financial aid from other public sources, inclusive of calculating eligibility for student financial aid.

— 77 — AB 804

(k) Notwithstanding any other provision of law, the awards and earnings claimed by a recipient pursuant to this article shall be exempt from state income tax liability.

(*l*) To the extent allowed under federal law, any funds awarded pursuant to this article may not be considered in the federal needs analysis for student financial aid, as they are an asset of the state until used for the payment of qualified higher education expenses.

SEC. 65. Section 69996 of the Education Code is amended to read:

- 6996. (a) Awards and the investment earnings accumulated pursuant to this article shall be available for the payment of qualified higher education expenses, as defined in subdivisions (g) and (l) of Section 69980. Pursuant to its authority under subdivision (d) of Section 69981, the board shall adopt rules and regulations to ensure that funds authorized by this chapter are disbursed directly to the institution of higher education indicated by an award recipient on his or her form.
- (b) Funds authorized by this article are nontransferable to any other person or entity and may only be used for the purposes stated herein. No funds authorized by this article may be pledged as collateral for any loan.
- (c) (1) Awards and their investment earnings invested in the Scholarshare Trust shall remain assets of, and owned by, the state until used for the payment of qualified higher education expenses as authorized by this section, and shall remain invested in the Scholarshare Trust until they are used for the purposes authorized by this section or until the recipient achieves the age of 30, whichever occurs first. If, due to death or disability, an award recipient is unable to attend an institution of higher education before reaching the age of 30 and the scholarship funds have not already been used for purposes of this article, the scholarship funds designated for the recipient shall revert to the General Fund.
- (2) Any funds not utilized within this time period shall revert to the General Fund after the payment of any amount determined to be due the federal government as a result of the reversion.
- (d) The board shall establish rules and regulations for an award recipient to claim the funds deposited and accrued in the Scholarshare Trust in the name of that recipient, including, but not limited to, the claim process, qualified distributions, necessary documentation, deadlines for submission of claims for awards, the

AB 804 — 78 —

 granting of awards, appeals procedures, and any forfeiture procedures. The board has no authority to validate testing methods or test scores contemplated by this article and shall not make any determination regarding the validity of these testing methods or test scores.

- (e) The board shall request each award recipient to voluntarily report personal information, including, but not limited to, ethnicity, gender, and family income. The board shall compile and retain this information in a confidential manner so that the personal information of any award recipient is not publicly disclosed in a manner that may be associated with particular individuals.
- (f) Within the annual report required pursuant to Section 69989, the board shall also include, at a minimum, the number of pupils with qualifying scores for an award pursuant to this article, the number of Governor's Scholars awards claimed and disbursed, the rate of return earned by the funds authorized by this article in the previous five fiscal years, the amount of funds expended pursuant to this article in the previous five fiscal years, and a list, by high school, of the number of awards granted pursuant to the program authorized by this article. To the extent that information is available and can be disclosed without allowing the information to be associated with particular individuals, the board shall include information on the ethnicity, gender, and family income of award recipients.
- SEC. 66. Section 69997 of the Education Code is amended to read:
- 69997. (a) The Governor's Scholars Program is hereby established. This program shall provide a scholarship of one thousand dollars (\$1,000) to each public high school pupil who, on or after January 1, 2000, demonstrates high academic achievement on the achievement test authorized by Section 60640. Pupils receiving a scholarship pursuant to this section shall be known as "Governor's Scholars."
- (b) Until the State Board of Education determines that the English language arts and mathematics portions of the statewide pupil achievement test authorized by Section 60640 have been aligned with the California academic content standards, and the standards aligned test is both valid and reliable for high stakes purposes, a pupil shall earn a scholarship pursuant to this section by satisfying either of the following criteria:

— 79 — AB 804

(1) Attaining a combined score on the reading and mathematics portions of the nationally normed achievement test adopted by the State Board of Education pursuant to Section 60642 that places him or her in the top 5 percent of test takers in his or her grade level statewide. A pupil attending any California public school, including those specified in subdivision (g) of Section 52052, is eligible to receive an award pursuant to this paragraph.

- (2) Attaining a combined score on the nationally normed reading and mathematics portions of the achievement test adopted by the State Board of Education pursuant to Section 60642 that places him or her in the top 10 percent of test takers in his or her grade level in the comprehensive public high school attended by that pupil. When calculating the top 10 percent, the result shall be rounded to the nearest whole integer for the purpose of determining the number of awards in any high school. If this calculation results in a number of pupils less than one in any high school, there shall be one award at that school.
- (c) Pupils earning an award pursuant to subdivision (b) may receive only one award in any given year. However, a pupil may earn a lifetime maximum of three awards by meeting the requirements of this section in each of grades 9, 10, and 11.
- (d) Once the State Board of Education has determined that the English language arts and mathematics portions of the statewide pupil achievement test authorized by Section 60640 have been aligned with the California academic content standards, and the standards aligned test is both valid and reliable for high stakes purposes, that test shall be used as the basis for the award of scholarships pursuant to subdivision (a).
- (e) (1) For the purposes of this section, a "comprehensive high school" includes both of the following:
- (A) The California Schools for the Deaf established pursuant to Chapter 1 (commencing with Section 59000) of Part 32.
- (B) The California School for the Blind established pursuant to Chapter 2 (commencing with Section 59100) of Part 32.
- (2) A pupil attending the California Schools for the Deaf or the California School for the Blind who met the criteria for an award pursuant to this section for tests taken in year 2000 shall receive an award for that year.
- 39 SEC. 67. Section 69998 of the Education Code is amended to 40 read:

AB 804 — 80 —

 69998. (a) The Governor's Distinguished Mathematics and Science Scholars Program is hereby established. This program shall provide a scholarship of two thousand five hundred dollars (\$2,500) for public high school pupils who demonstrate specified high academic achievement in mathematics and the sciences. Pupils receiving a scholarship pursuant to this section shall be known as "Governor's Mathematics and Science Scholars."

- (b) In addition to the criteria specified in subdivision (d) of Section 69995, a pupil shall satisfy the following to be eligible to receive a scholarship pursuant to this section:
- (1) Earn an award pursuant to the program authorized by Section 69997.
- (2) Take an advanced placement calculus examination offered by the college board.
- (3) Take any one of the advanced placement biology, chemistry, or physics examinations offered by the college board.
- (c) If the provisions of subdivision (d) apply, then paragraphs (2) and (3) of subdivision (b) shall be effective only as specified in subdivision (d).
- (d) (1) If the pupil's school offers an advanced placement course in a subject identified in subdivision (b), only the advanced placement examination in that subject shall be allowed for the purposes of determining eligibility for an award pursuant to this section. If a pupil's school does not offer an advanced placement course in a subject identified in subdivision (b), he or she may take instead the Golden State Examination, as authorized by Article 5 (commencing with Section 60650) of Chapter 5 of Part 33, in that subject in order to be eligible to receive a scholarship pursuant to this section. Should there appear to be a conflict between this subdivision and any other subdivision related to this program, this subdivision shall be controlling.
- (2) For the science test, the Golden State Examination in second-year coordinated science may be used in place of any other Golden State Examination in science for the purposes of this subdivision.
- (3) For the mathematics test, only the High School Mathematics Golden State Examination may be used for the purposes of this subdivision.
- (e) Eligible pupils shall earn a scholarship pursuant to this section by satisfying all of the following requirements:

—81 — AB 804

(1) Attaining a score of five, on the advanced placement calculus AB examination, or attaining a score of four or five on the higher-level advanced placement calculus BC examination.

- (2) Attaining a score of five on any one of the advanced placement biology, chemistry, or physics B examinations, or attaining a score of four or five on both of the advanced placement physics C (mechanics or electricity and magnetism) examinations.
- (3) If a pupil is eligible for an award pursuant to paragraph (4) of subdivision (b), he or she must attain a score of six on the appropriate Golden State Examination, as described in subdivision (d).
- (f) As an alternative to the examination requirements set forth in subdivisions (b), (c), (d), and (e), a pupil may be eligible to receive a scholarship pursuant to this section for performance in science and mathematics examinations that are part of the International Baccalaureate Program. The State Board of Education shall review and designate those International Baccalaureate examinations that are equivalent to the advanced placement tests or Golden State Examinations for which pupils may receive scholarships pursuant to this section. The State Board of Education shall also designate the score on International Baccalaureate examinations that is equivalent to the score required on advanced placement tests or Golden State Examinations in order to receive a scholarship.
- (g) The State Board of Education may modify this list of examinations as necessary to reflect additions and deletions to the series of examinations offered by the college board for advanced placement courses. The State Board of Education may also determine the relative rigor of any new examinations added to the list and whether those examinations should require a score of four or five if the added examinations and qualifying scores reflect at least the same level of rigor as the advanced placement examinations specified in this section.
- (h) Test scores earned before receiving an award pursuant to the program authorized by Section 69997 may be used to satisfy the requirements of subdivision (d), even if these scores are earned before January 1, 2000. A pupil may not claim an award pursuant to this section until the pupil has earned and successfully claimed an award pursuant to the program authorized by Section 69997.

AB 804 — 82 —

 (i) A pupil may receive a maximum of one award pursuant to the program established by this section.

- (j) Subdivisions (c) and (d) and paragraph (4) of subdivision (b), subdivision (c), and paragraph (3) of subdivision (e) shall become inoperative, and are repealed as of December 31, 2001.
- SEC. 68. Section 78300 of the Education Code is amended to read:
- 78300. (a) The governing board of any community college district may, without the approval of the Board of Governors of the California Community Colleges, establish and maintain community service classes in civic, vocational, literacy, health, homemaking, technical and general education, including, but not limited to, classes in the fields of visual and performing arts, handicraft, science, literature, nature study, nature contacting, aquatic sports and athletics. These classes shall be designed to provide instruction and to contribute to the physical, mental, moral, economic, or civic development of the individuals or groups enrolled therein.
- (b) Community service classes shall be open for the admission of adults and of those minors as in the judgment of the governing board may profit therefrom.
- (c) Governing boards shall not expend General Fund moneys to establish and maintain community service classes. Governing boards may charge students enrolled in community service classes a fee not to exceed the cost of maintaining community service classes, or may provide instruction in community service classes for remuneration by contract, or with contributions or donations of individuals or groups. The board of governors shall adopt guidelines defining the acceptable reimbursable costs for which a fee may be charged and shall collect data and maintain uniform accounting procedures to ensure that General Fund moneys are not used for community services classes.
- SEC. 69. Section 89230 of the Education Code is amended to read:
- 89230. "Instructionally related activities" means those activities and laboratory experiences that are at least partially sponsored by an academic discipline or department and that are, in the judgment of the president of a particular campus, with the approval of the trustees, integrally related to its formal instructional offerings.

— 83 — AB 804

Activities that are considered to be essential to a quality educational program and an important instructional experience for any student enrolled in the respective program may be considered instructionally related activities.

Instructionally related activities include, but are not limited to, all of the following:

- (a) Intercollegiate athletics: costs that are necessary for a basic competitive program including equipment and supplies and scheduled travel, not provided by the state. Athletic grants should not be included.
- (b) Radio, television, film: costs related to the provisions of basic "hands-on" experience not provided by the state. Purchase or rental of films as instructional aids shall not be included.
- (c) Music and dance performance: costs to provide experience in individual and group performance, including recitals, before audiences and in settings sufficiently varied to familiarize students with the performance facet of the field.
- (d) Theatre and musical productions: basic support of theatrical and operatic activities sufficient to permit experience not only in actual performance, but in production, direction, set design, and other elements considered a part of professional training in these fields.
- (e) Art exhibits: support for student art shows given in connection with degree programs.
- (f) Publications: the costs to support and operate basic publication programs including a periodic newspaper and other laboratory experience basic to journalism and literary training. Additional publications designed primarily to inform or entertain shall not be included.
- (g) Forensics: activities designed to provide experience in debate, public speaking, and related programs, including travel required for a competitive debate program.
- (h) Other activities: activities associated with other instructional areas that are consistent with purposes included in the above may be added as they are identified.

Pursuant to this section and other provisions of this code, the Chancellor of the California State University shall develop a program of fiscal support and shall consult with the California State Student Association, the Academic Senate, and the Chancellor's Council of Presidents regarding the program.

AB 804 — 84 —

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This section shall not become operative unless funds are appropriated to meet the instructionally related needs of the campuses of the California State University.

- 4 SEC. 70. Section 99223 of the Education Code is amended to 5 read:
 - 99223. The Regents of the University of California are requested to jointly develop with the Trustees of the California State University and the independent colleges and universities, the Algebra Academies Professional Development Institutes, to be administered by the university, in partnership with the California State University and with private, independent universities in California, in accordance with all of the following criteria:
 - (a) In July 2000, the University of California and its institutes' partners shall commence instruction for 1,000 participants who either provide direct instruction in prealgebra and algebra to pupils in grades 7 and 8, or supervise beginning teachers of algebra.
 - (b) (1) The institutes shall provide instruction for school teams from each participating school. These school teams may include both beginning and experienced teachers and the schoolsite administrator.
 - (2) Criteria and priority for selection of participating school teams shall include, but are not necessarily limited to, all of the following:
 - (A) Schools whose pupils' scores on the mathematics portion of the achievement test authorized by Section 60640 are at or below the 40th percentile.
 - (B) Teams composed of a large percentage of members of their schools' mathematics departments, which may include the chair of that department.
 - (C) Schools with high poverty levels, as determined by the percentage of pupils eligible for free or reduced price meals.
 - (D) Schools with a high number of beginning and noncredentialed teachers.
 - (E) Schools that have adopted standards-based materials approved by the State Board of Education.
 - (3) In any fiscal year, if funding is inadequate to accommodate the participation of all eligible school teams, first priority shall be given to schools that meet the criteria described in subparagraph (D) of paragraph (2).

— 85 — AB 804

(c) (1) The institutes shall provide instruction in the teaching of prealgebra and algebra in a manner consistent with the standard for a comprehensive mathematics instruction program that is research-based and shall include all of the following components:

- (A) Instruction in prealgebra and algebra that will enhance the ability of teachers to prepare pupils for the achievement test authorized pursuant to Section 60640 and the high school exit examination authorized pursuant to Section 60850.
- (B) Ongoing diagnostic techniques that inform teaching and assessment.
- (C) Early intervention techniques for pupils experiencing difficulty in prealgebra and algebra.
- (2) Instruction provided pursuant to this section shall be consistent with state-adopted academic content standards and with the curriculum frameworks on mathematics for kindergarten and grades 1 to 12, inclusive, that are adopted by the State Board of Education.
- (d) Each participant who satisfactorily completes an institute authorized by this section shall receive a stipend, commensurate with the duration of the institute, of not less than one thousand dollars (\$1,000) nor more than two thousand dollars (\$2,000), as determined by the University of California.
- (e) In order to provide maximum access, the institutes shall be offered on multiple university and college campuses that are widely distributed throughout the state. Instruction at the institutes shall consist of an intensive, sustained training period of no less than 40 hours during the summer or during an intersession break, and shall be supplemented, during the following school year, with no fewer than the equivalent of five additional days of instruction and schoolsite meetings, held on at least a monthly basis, to focus on the academic progress of that school's pupils in prealgebra and algebra.
- (f) Teachers attending the institutes authorized by this section shall, as a condition of attendance and subsequent to that attendance, serve as instructors in the program authorized by Chapter 18 (commencing with Section 53091) of Part 28. These teachers shall continue to receive followup professional development during the same time period they are providing instruction. Followup professional development during this time period shall occur outside of instructional time.

AB 804 — 86 —

 (g) It is the intent of the Legislature that a local education agency or postsecondary institution that offers an accredited program of professional preparation consider providing partial and proportional credit toward satisfaction of mathematics course requirements to an enrolled candidate who satisfactorily completes an Algebra Academies Professional Development Institute if the institute has been certified by the Commission on Teacher Credentialing as meeting mathematics standards.

SEC. 71. Section 3540.2 of the Government Code is amended to read:

- 3540.2. (a) A school district that has a qualified or negative certification pursuant to Section 42131 of the Education Code shall allow the county office of education in which the school district is located at least six working days to review and comment on any proposed agreement made between the exclusive representative and the public school employer, or designated representatives of the employer, pursuant to this chapter. The school district shall provide the county superintendent of schools with all information relevant to yield an understanding of the financial impact of that agreement.
- (b) The Superintendent of Public Instruction shall develop a format for use by the appropriate parties in generating the financial information required pursuant to subdivision (a).
- (c) The county superintendent of schools shall notify the school district publicly within those six days if, in his or her opinion, the agreement reviewed pursuant to subdivision (a) would endanger the fiscal well-being of the school district.
- (d) A school district shall provide the county superintendent of schools, upon request, with all information relevant to provide an understanding of the financial impact of any final collective bargaining agreement reached pursuant to Section 3543.2.
- (e) A county office of education that has a qualified or negative certification pursuant to Section 1240 of the Education Code shall allow the Superintendent of Public Instruction at least six working days to review and comment on any proposed agreement made between the exclusive representative and the public school employer, or designated representatives of the employer, pursuant to this chapter. The county superintendent of schools shall provide the Superintendent of Public Instruction with all information relevant to yield an understanding of the financial impact of that

— 87 — AB 804

agreement. The Superintendent of Public Instruction shall notify the county superintendent of schools publicly within those six days if, in his or her opinion, the proposed agreement would endanger the fiscal well-being of the county office.

SEC. 72. Section 4420.5 of the Government Code is amended to read:

- 4420.5. (a) Section 4420 does not apply to any construction or renovation project undertaken by a school district or community college district.
- (b) The district may use owner-controlled or wrap-up insurance with regard to a construction or renovation project if the district makes the following determinations:
- (1) Prospective bidders, including contractors and subcontractors, meet minimum occupational safety and health qualifications established to bid on the project. The evaluation of prospective bidders shall be based on consideration of the following factors:
- (A) Serious and willful violations of Part 1 (commencing with Section 6300) of Division 5 of the Labor Code, by a contractor or subcontractor during the past five-year period.
- (B) The contractor's or subcontractor's workers' compensation experience modification factor.
- (C) A contractor's or subcontractor's injury prevention program instituted pursuant to Section 3201.5 or 6401.7 of the Labor Code.
- (2) The use of owner-controlled or wrap-up insurance will minimize the expenditure of public funds on the project in conjunction with the exercise of appropriate risk management.
- (c) For purposes of this section, "owner-controlled or wrap-up insurance" means a series of insurance policies issued to cover all of the contractors and subcontractors on a given project for purposes of general liability and workers' compensation.
- (d) Any use of owner-controlled or wrap-up insurance pursuant to this section shall be subject to paragraphs (3) to (6), inclusive, of subdivision (b) of Section 4420 and subdivisions (c) and (d) of that section.
- 37 SEC. 73. Section 6516.6 of the Government Code is amended 38 to read:
- 39 6516.6. (a) Notwithstanding any other provision of law, a 40 joint powers agency established pursuant to a joint powers

AB 804 — 88 —

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agreement in accordance with this chapter may issue bonds pursuant to Article 2 (commencing with Section 6540) or Article 4 (commencing with Section 6584), in order to purchase obligations of local agencies or make loans to local agencies, 5 which moneys the local agencies are hereby authorized to borrow, 6 to finance the local agencies' unfunded actuarial pension liability or to purchase, or to make loans to finance the purchase of, delinquent assessments or taxes levied on the secured roll by the 9 local agencies, the county, or any other political subdivision of the state. Notwithstanding any other provision of law, including 10 11 Section 53854, the local agency obligations or loans, if any, shall 12 be repaid in the time, manner and amounts, with interest, security, 13 and other terms as agreed to by the local agency and the joint 14 powers authority. 15

- (b) Notwithstanding any other provision of law, a joint powers authority established pursuant to a joint powers agreement in accordance with this chapter may issue bonds pursuant to Article 2 (commencing with Section 6540) or Article 4 (commencing with Section 6584), in order to purchase or acquire, by sale, assignment, pledge, or other transfer, any or all right, title, and interest of any local agency in and to the enforcement and collection of delinquent and uncollected property taxes, assessments, and other receivables that have been levied by or on behalf of the local agency and placed for collection on the secured, unsecured, or supplemental property tax rolls. Local agencies, including, cities, counties, cities and counties, school districts, redevelopment agencies, and all other special districts that are authorized by law to levy property taxes on the county tax rolls, are hereby authorized to sell, assign, pledge, or otherwise transfer to a joint powers authority any or all of their right, title, and interest in and to the enforcement and collection of delinquent and uncollected property taxes, assessments, and other receivables that have been levied by or on behalf of the local agency for collection on the secured, unsecured, or supplemental property tax rolls in accordance with the terms and conditions that may be set forth in an agreement with a joint powers authority.
- (c) Notwithstanding Division 1 (commencing with Section 50) of the Revenue and Taxation Code, upon any transfer authorized in subdivision (b), the following shall apply:

— 89 — AB 804

(1) A local agency shall be entitled to timely payment of all delinquent taxes, assessments, and other receivables collected on its behalf on the secured, unsecured, and supplemental tax rolls, along with all penalties, interest, costs, and other charges thereon, no later than 30 calendar days after the close of the preceding monthly or four-week accounting period during which the delinquencies were paid by or on account of any property owner.

- (2) Upon its receipt of the delinquent taxes, assessments, and receivables that it had agreed to be transferred, a local agency shall pay those amounts, along with all applicable penalties, interest, costs, and other charges, to the joint powers authority in accordance with the terms and conditions that may be agreed to by the local agency and the joint powers authority.
- (3) The joint powers authority shall be entitled to assert all right, title, and interest of the local agency in the enforcement and collection of the delinquent taxes, assessments, and receivables, including without limitation, its lien priority, its right to receive the proceeds of delinquent taxes, assessments, and receivables, and its right to receive all penalties, interest, administrative costs, and any other charges, including attorney fees and costs, if otherwise authorized by law to be collected by the local agency.
- (4) (A) For any school district that participates in a joint powers authority using financing authorized by this section and that does not participate in the alternative method of distribution of tax levies under Chapter 3 of Division 1 of Part 8 of the Revenue and Taxation Code, the amount of property tax receipts to be reported in a fiscal year for the district under subdivision (f) of Section 75.70 of the Revenue and Taxation Code, or any other similar law requiring reporting of school district property tax receipts, shall be equal to 100 percent of the school district's allocable share of the taxes distributed to it for the then fiscal year, plus 100 percent of the school district's share of any delinquent secured and supplemental property taxes assigned from that year and 100 percent of its share of any delinquent secured and supplemental property taxes from any prior years which the school district has assigned to a joint powers authority in that fiscal year, as such delinquent taxes are shown on the delinquent tax roll prescribed by Section 2627 of the Revenue and Taxation Code, on an abstract list if one is kept pursuant to Chapter 4 (commencing with Section 4372) of Part 7 of Division 1 of the Revenue and

AB 804 — 90 —

Taxation Code, or other records maintained by the county, plus all other delinquent taxes that the school district has not assigned to a joint powers authority which are collected and distributed to the school district as otherwise provided by law, less any reduction amount required by subparagraph (B). One hundred percent of the school district's allocable share of the delinquent taxes assigned for the current fiscal year, and 100 percent of the school district's allocable share of the delinquent taxes assigned for all years prior thereto, as shown on the delinquent roll, abstract list, or other records maintained by the county, whether or not those delinquent taxes are ever collected, shall be paid by the joint powers authority to the county auditor and shall be distributed to the school district by the county auditor in the same time and manner otherwise specified for the distribution of tax revenues generally to school districts pursuant to current law. Any additional amounts shall not be so reported and may be provided directly to a school district by a joint powers authority.

- (B) When a joint powers authority finances delinquent taxes for a school district pursuant to this section, and continuing as long as adjustments are made to the delinquent taxes previously assigned to a joint powers authority, the school district's tax receipts to be reported as set forth in subparagraph (A) shall be reduced by the amount of any adjustments made to the school district's allocable share of taxes shown on the applicable delinquent tax roll, abstract list, if one is kept, or other records maintained by the county, occurring for any reason whatsoever other than redemption, which reduce the amount of the delinquent taxes assigned to the joint powers authority.
- (C) A joint powers authority financing delinquent school district taxes and related penalties pursuant to this subdivision shall be solely responsible for, and shall pay directly to the county, all reasonable and identifiable administrative costs and expenses of the county which are incurred as a direct result of the compliance of the county tax collector or county auditor, or both, with any new or additional administrative procedures required for the county to comply with this subdivision. Where reasonably possible, the county shall provide a joint powers authority with an estimate of the amount of and basis for any additional administrative costs and expenses within a reasonable time after written request for an estimate.

— 91 — AB 804

(D) In no event shall the state be responsible or liable for a joint powers authority's failure to actually pay the amounts required by subparagraphs (A) and (B), nor shall a failure constitute a basis for a claim against the state by a school district, county, or joint powers authority.

- (E) The phrase "school district," as used in this section, includes all school districts of every kind or class, including, without limitation, community college districts and county superintendents of school.
- (d) The powers conferred by this section upon joint powers authorities and local agencies shall be complete, additional, and cumulative to all other powers conferred upon them by law. Except as otherwise required by this section, the agreements authorized by this section need not comply with the requirements of any other laws applicable to the same subject matter.
- (e) An action to determine the validity of any bonds issued, any joint powers agreements entered into, any related agreements, including, without limitation, any bond indenture or any agreements relating to the sale, assignment, or pledge entered into by a joint powers authority or a local agency, the priority of any lien transferred in accordance with this section, and the respective rights and obligations of any joint powers authority and any party with whom the joint powers authority may contract pursuant to this chapter, may be brought by the joint powers authority pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure. Any appeal from a judgment in the action shall be commenced within 30 days after entry of judgment.
- (f) This section shall not be construed to affect the manner in which an agency participates in or withdraws from the alternative distribution method established by Chapter 3 (commencing with Section 4701) of Part 8 of Division 1 of the Revenue and Taxation Code.
- SEC. 74. Section 8869.84 of the Government Code is amended to read:
- 8869.84. (a) The committee shall, as soon as is practicable after the start of each calendar year, determine and announce the state ceiling for the calendar year.
- (b) The entire state ceiling for each calendar year is hereby allocated to the committee to further allocate to state and local agencies as provided in this chapter.

AB 804 — 92 —

(c) The committee shall prepare application forms and announce procedures for receipt and review of applications from state and local agencies desiring to issue private activity bonds.

- (d) The committee may at any time, before or after granting any allocations in any calendar year to any state agencies or local agencies, announce priorities or reservations of any part of the state ceiling not theretofore allocated either for certain categories of bonds or categories of issuers.
- (e) The committee may require any issuer making an application to the committee or MBTCAC for allocation of a portion of the state ceiling to make a deposit, as determined by the committee, of up to 1 percent of the portion requested. If an allocation is not given, the deposit shall be returned. If an allocation is given, the deposit shall be kept (in proportion to the amount of allocation given) until bonds are issued. Upon that issuance, the deposit shall be returned to the issuer in an amount equal to the product of (1) the amount of the deposit retained times (2) the ratio between the amount of bonds issued divided by the amount of allocation granted. If no bonds are issued prior to the expiration of the allocation, the deposit shall be kept, unless the committee determines there is good cause to return all or part of the deposit. Any portion of a deposit kept shall be deposited in the fund.
- (f) The committee may transfer part of the state ceiling to the MBTCAC, to be used for qualified mortgage bonds and exempt facility bonds, as those terms are used in the Internal Revenue Code, for qualified residential rental projects, as those terms are used in the Internal Revenue Code, (together referred to as "housing bonds"), with directions and conditions pursuant to which MBTCAC may allocate those amounts to issuers of housing bonds at both the state and local level. In carrying out these functions, MBTCAC shall act solely as directed or authorized by the committee. If the committee makes the transfer to MBTCAC authorized by this subdivision, the references in Sections 8869.85, 8869.86, 8869.87, and 8869.88 to the "committee" shall, for purposes of any housing bonds, be deemed to mean MBTCAC.
- (g) (1) The committee may establish the Extra Credit Teacher Home Purchase Program to provide federal mortgage credit certificates and reduced interest rate loans funded by mortgage revenue bonds to eligible teachers, principals, vice principals, and

— 93 — AB 804

assistant principals who agree to teach or provide administration in a low performing school. For purposes of this program, a low performing school is a state K-12 public school that is ranked in the bottom half of the Academic Performance Index developed pursuant to subdivision (a) of Section 52052. However, priority shall be given to schools that are ranked in the bottom three deciles. The committee may make reservations of a portion of future calendar year state ceiling limits for up to five future calendar years for that program. The committee may also make future allocations of the state ceiling for up to five years for any issuer under that program. Any future allocation made by the committee shall constitute an allocation of the state ceiling for a future year specified by the committee and shall be deemed to have been made on the first day of the future year so specified.

- (2) The committee may condition allocations under the Extra Credit Teacher Home Purchase Program on any terms and conditions that the committee deems necessary or appropriate, including, but not limited to, the execution of a contract between the teacher, principal, vice principal, or assistant principal and the issuer whereby the teacher, principal, vice principal, or assistant principal agrees to comply with the terms and conditions of the program. The contract may include, among other things, an agreement by the teacher, principal, vice principal, or assistant principal to teach or provide administration in a low performing school for a minimum number of years, and provisions for enforcing the contract that the committee deems necessary or appropriate.
- (3) If a teacher, principal, vice principal, or assistant principal does not fulfill the requirements of a contract entered into pursuant to paragraph (2), the issuer of the mortgage credit certificate or mortgage revenue bond may recover as an assessment from the teacher, principal, or assistant principal a monetary amount equal to the lesser of (A) one-half of the teacher's, principal's, vice principal's, or assistant principal's net proceeds from the sale of the related residence or (B) the amount of monetary benefit conferred on the teacher, principal, vice principal, or assistant principal as a result of the federal mortgage credit certificate or reduced interest rate loan funded by a mortgage revenue bond, offset by the amount of any federal recapture, as defined by Section 143(m) of the Internal Revenue Code. The assessment may be secured by a lien

AB 804 — 94 —

against the residence, which shall decline in amount over the term of the contract as the teacher, principal, vice principal, or assistant principal fulfills the term of the contract, and which shall be collected at the time of sale of the residence. Any assessment collected pursuant to this paragraph shall be used for the issuer's costs in administering the Extra Credit Teacher Home Purchase Program. The issuers shall report annually to the committee the total amount of any assessments collected pursuant to this paragraph and how those assessments were used by the issuer.

- (4) If the committee establishes the Extra Credit Teacher Home Purchase Program pursuant to this subdivision, the committee shall report annually to the Legislature the results of the program, including all of the following:
- (A) The amount of state ceiling limits allocated to or reserved for the program.
 - (B) The agencies to which state ceiling limits were issued.
- (C) The number of loans or mortgage credit certificates issued to teachers, principals, vice principals, and assistant principals.
- (D) The schools at which recipients of assistance are employed, aggregated by decile in which the schools rank on the Academic Performance Index and by the percentage of uncredentialed teachers employed at the schools.
- (5) The committee shall not make any reservations of future calendar year state ceiling limits or future allocations of the state ceiling pursuant to this subdivision on or after January 1, 2004, unless a later enacted statute, that is enacted before January 1, 2004, deletes or extends that date. However, reservations and allocations made prior to that date shall remain valid.
- SEC. 75. Section 3 of Chapter 1024 of the Statutes of 2000 is amended to read:
- Sec. 3. It is the intent of the Legislature that any modification to coursework required by this act shall result in neither additional classes nor in additional costs, but that any modification to coursework shall be incorporated into the requirements of subparagraph (B) of paragraph (1) of subdivision (a) of Section 51225.3 of the Education Code.
- 37 SEC. 76. Item 6110-001-0890 of the Budget Act of 2001 is amended to read:

— 95 — AB 804

 Provisions:

\$109,361,000

- 1. The funds appropriated in this item include Federal Vocational Education Act funds for the 2001–02 fiscal year to be transferred to community colleges by means of interagency agreements. These funds shall be used by community colleges for the admin–
- 2. Of the funds appropriated in this item, \$96,000 is available to the Advisory Commission on Special Education for the in-state travel expenses of the commissioners and the secretary to the commission.

istration of vocational education programs.

- 3. Of the funds appropriated in this item, \$384,000 is available for programs for homeless youth and adults pursuant to the federal Stewart B. McKinney Act. The department shall consult with the State Departments of Economic Opportunity, Mental Health, Housing and Community Development, and Economic Development in operating this program.
- 4. Of the funds appropriated in this item, up to \$364,000 shall be used to provide in-service training for special and regular educators and related persons, including, but not limited to, parents, administrators, and organizations serving severely disabled children. These funds are also to provide up to four positions for this purpose.
- Of the funds appropriated in this item, \$318,000 shall be used to provide training in culturally nonbiased assessment and specialized language skills to special education teachers.
- 6. Of the amount appropriated in this item, \$600,000 shall be used for the administration of the federal Public Charter School Program. For fiscal year 2001–02, one Education Program Consultant position shall support fiscal issues pertaining to charter schools, including development and implementation of the funding model pursuant to Chapter 34 of the Statutes of 1998.

AB 804 — 96 —

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7. Of the funds appropriated in this item, \$932,000 shall be for the administration of the Federal Reading Excellence Act.

- 8.5. Of the funds appropriated in this item, \$9,083,000 is from the Child Care and Development Block Grant Fund and includes \$158,000 for an interagency agreement with the Child Development Programs Advisory Committee. \$150,000 is available to increase the base resources for the child development audit workload. These funds are solely for travel expenses to facilitate the goal of conducting field audits on 10 percent of child care and development agencies consistent with Provision 8 of Item 6110-001-0890 of the Budget Act of 2000. The audits shall include sampling to determine the level of compliance with eligibility rules, accuracy of family fee determinations, and family fee collections. The State Department of Education shall provide a report to the Legislature and the Department of Finance by September 1, 2003, on fee and eligibility compliance rates and take steps to reduce compliance problems through sanctions and other remedies available in law.
- Of the funds appropriated in this item, \$1,345,000 shall be used for administration of the Technology Literacy Challenge Grant Program. Of this amount:

 (a) \$580,000 is available only for contracted technical support and evaluation services associated with the Technology Literacy Challenge Grant Program.
- 10. Of the funds appropriated in this item, \$7,952,000 is for dispute resolution services, including mediation and fair hearing services, provided through contract for the Special Education Program.
- 11. Of the amount provided in this item, \$843,000 is provided for staff for the Special Education Focused Monitoring Pilot Program to be established by the State Department of Education for the purpose of monitoring local education agency compliance with

— 97 — AB 804

state and federal laws and regulations governing special education.

- 12. Of the amount appropriated in this item, \$36,000 shall be used for the administration of the federal class size reduction grant program (Sec. 5, P.L. 106–25).
- 13. Of the funds appropriated in this item, \$120,000 shall be used solely for the administration of the federal advance placement examination fee payment grant program for low-income pupils.
- 15. Of the funds appropriated in Schedule (2) of this item, \$3,000,000 shall be used solely for the purposes of (a) activities associated with ensuring that the High School Exit and standards-based STAR exams are aligned to the state-adopted standards and (b) additional psychometric and contracting support for the effective and efficient operation of the testing system. Encumbrance of these funds is contingent upon prior approval of an expenditure plan by the State Board of Education.
- 16. Of the funds appropriated in Schedule (2) of this item, \$300,000 shall be used solely for the purposes of contracting for a study to determine the reliability of the Golden State Exams. The choice of a contractor and the contents of the contract shall be subject to approval by the State Board of Education.
- 17. Not sooner than 30 days after notification in writing to the chairpersons of the committee in each house of the Legislature that considers opportunities and the Chairperson of the Joint Legislative Budget Committee or his or her designee, the Department of Finance may transfer up to \$859,000 to this item from Schedule (1) of Item 6110–136–0890, to address activities associated with the implementation of corrective action plans and sanctions pursuant to federal law and, to the extent applicable, Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28 of the Education Code.

AB 804 — 98 —

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- 18. Of the funds appropriated in this item, \$350,000 shall be available for the preparation, analysis, and production of the annual federal accountability reports, as required by the Carl D. Perkins Vocational Technical Education Act.
- 19. Of the funds appropriated in this item, \$250,000 shall be allocated by the Department of Education to the California State University, San Bernardino, Center for the Study of Correctional Education, for special education monitoring of and technical assistance for the California Youth Authority pursuant to legislation as enacted during the 2001-02 Regular Session. If this legislation is not enacted, the \$250,000 shall be used for the purposes of implementing the interagency agreement between the Department of Education and the California Youth Authority, which shall be revised to require onsite, full reviews of each institution and each camp operated by the California Youth Authority once every two years and to require that the onsite, full reviews include, but not be limited to, observation of service delivery, file reviews, and interviews with wards, teachers, parents or surrogate parents, and institutional staff.
- 20. The balance of unencumbered funds appropriated in subdivision (h) of Provision 7 of Item 6110–001–0890 of the Budget Act of 2000 (Ch. 52, Stats. 2000) shall remain available to the office of the Legislative Analyst for the purpose of providing an evaluation of charter schools pursuant to Chapter 34 of the Statutes of 2000.

SEC. 77. Item 6110-165-0001 of Section 2.00 of the Budget Act of 2001 is amended to read:

— 99 — AB 804

1. \$13,846,000 of the funds appropriated in this item are for the purpose of implementing the federal Workforce Investment Act.

2. The Superintendent of Public Instruction shall allocate the funds appropriated in this item to adult schools regional occupational centers and programs, school districts maintaining high schools, and county offices of education maintaining alternative programs for high school pupils to support capacity building activities related to youth services including, but not limited to, supporting edueational opportunities and development of careertechnical skills, youth councils, and one-stop career centers, for building regional collaboratives, and for assessing pupil outcomes, pupil performance, retention, and accountability. The Superintendent of PublicInstruction shall give priority in allocating these funds to support CalWORKs participants who are eligible for youth services in the federal Workforce Investment Act. Of the funds made available by this section, \$7,022,000 is available for allocation by the Superintendent of Public Instruction to support CalWORKs participants who are eligible for youth services, as prescribed by subparagraph (C) of paragraph (1) of subdivision (b) of Section 2852 of Title 29 of the United States Code.

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SEC. 78. Item 6110-210-0001 of Section 2.00 of the Budget Act of 2001 is amended to read:

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AB 804 — 100 —

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- 1. The funds appropriated in this item shall be allocated to all local education agencies in the state on the basis of an equal amount per unit of average daily attendance, including average daily attendance attributable to regional occupational centers and programs and adult education programs, as reported on the second principal apportionment for the 2000–01 fiscal year, and average daily enrollment in preschool and child care programs operated by local education agencies under contract with the Child Development Division of the State Department of Education on local education agency schoolsites. For the purpose of determining the average daily enrollment of children served by local education agencies in preschool and child care development programs operated on their schoolsites, the Superintendent of Public Instruction shall divide a local education agency's total number of child days of enrollment in these programs in the 2000–01 school year by 175 days for a preschool program, 246 days for a general or migrant child care program, or 160 days for a schoolage community child care program to determine an average daily enrollment for the programs and allocate funds according to this average daily enrollment. Of the funds distributed for the purposes of this provision, local education agency shall receive not less than \$14,000 for each schoolsite within its jurisdiction. Each school district, county office of education, and charter school has discretion to allocate these funds within its jurisdiction as each deems appropriate.
- 2. For purposes of this item, "schoolsite" means any public school that was a wholly self—contained site, with a separate county—district—school (CDS) code as maintained by the Superintendent of Public Instruction as of June 30, 2000, and that was in operation during the entire 2000–01 school year. Two or more schools that share a physical site or staff shall be considered a single schoolsite.

- 3. As a condition of receipt of funds provided in this item, school districts, county offices of education, and charter schools shall, in a local governing board resolution adopted in a regularly scheduled public meeting by the end of the 2001–02 fiscal year, identify energy conservation measures that result in a decrease in the amount of energy used by schools within the local education agency. The local governing board resolution shall also include a list of specific actions that will be carried out to achieve the reduction in energy use. Funds appropriated under this item may be used for energy conservation measures, increased energy costs, career/technical education one–time purposes, or any other one–time educational purpose.

- 4. For purposes of making the computations required by Section 8 of ARticle Article XVI of the California Constitution, \$123,161,000 of the appropriations made by in this item shall be deemed to be "General Fund" revenues appropriated to school districts as defined in subdivision (c) of Section 41202 of the Education Code for the 1995–96 fiscal year and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B" as defined in subdivision (e) of Section 41202 of the Education Code, for the 1995–96 fiscal year.
- 5. For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, \$126,839,000 of the appropriations made in this item shall be deemed to be "General Fund" revenues appropriated to school districts as defined in subdivision (c) of Section 41202 of the Education Code for the 1996–97 fiscal year and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B" as defined in subdivision (e) of Section 41202 of the Education Code, for the 1996–97 fiscal year.

SEC. 79. Item 6110-295-0001 of the Budget Act of 2001 is amended to read:

164,303,000

1	(1) 98.01.003.677-Annual Parent No-	
2	tification (Ch. 36, Stats. 1977, et	
3	al.)	3,585,000
4	(2) 9801.007.778-Absentee Ballots-	
5	Schools (Ch. 77, Stats. 1978 and	
6	Ch. 920, Stats. 1994)	1,295,000
7	(3) 98.01.008.786-School Discipline	
8	Rules (Ch. 87, Stats. 1986)	1,726,000
9	(4) 98.01.009.894-Caregiver Affida-	
10	vits (Ch. 98, Stats. 1994)	387,000
11	(5) 98.01.016.093-School District of	
12	Choice Transfer and Appeals	
13	(Ch. 160, Stats. 1993)	10,207,000
14	(6) 98.01.013.487-Pupil Suspensions:	
15	District Employee Reports	
16	(Ch.134, Stats. 1987 et al.)	1,022,000
17	(7) 98.01.016.193-Intradistrict Atten-	
18	dance (Ch. 161, Stats. 1993)	5,262,000
19	(8) 98.01.017.201-Interdistrict Atten-	
20	dance (Ch. 172, Stats. 1986)	1,789,000
21	(9) 98.01.017.286-Interdistrict Trans-	
22	fer Parent's Employment (Ch. 172,	
23	Stats. 1986)	1,111,000
24	(10) 98.01.048.675-Test Claims and	
25	-Reimbursement Claims (Ch. 486,	
26	Stats. 1975)	1,856,000
27	(11) 98.01.049.801-Graduation Re-	
28	quirements (Ch. 498, Stats.	
29	1983)	13,898,000
30	(12) 98.01.049.802-Notices of Truan-	
31	ey (Ch. 498, Stats. 1983)	7,975,000
32	(13) 98.01.049.803-Pupil Expulsions/	
33	Expulsion Appeals (Ch. 498, Stats.	
34	1983 et al.) 	2,427,000
35	(14) 98.01.062.492-Schoolbus Safety	
36	(Ch. 624, Stats. 1992)	938,000
37	(15) 98.01.064.186-Open Meetings	
38	Act (Ch. 641, Stats. 1986)	3,395,000

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1	(31) 98.01.125.375-Expulsion Tran-	
2	scripts (Ch. 1253, Stats. 1975)	28,000
3	(32) 98.01.128.488-Pupil Suspen-	
4	sions: Parents Classroom Visits	
5	(Ch. 1284, Stats. 1988)	1,019,000
6	(33) 98.01.130.689-Notification to-	
7	Teachers of Pupil Ex— pulsion	
8	(Ch. 1306, Stats.	
9	1989)	2,853,000
10	(34) 98.01.134.780-Scoliosis Screen-	
11	ing (Ch. 1347, Stats. 1980)	2,242,000
12	(35) 98.01.139.874–PERS Unused	
13	Sick Leave Credit (Ch. 1398, Stats.	
14	1974)	3,191,000
15	(36) 98.01.146.389-School Account	
16	ability Report Cards (Ch. 1463,	
17	Stats. 1989)	2,115,000
18	(37) 98.01.160.784-School Crimes	
19	Reporting (Ch. 1607, Stats.	
20	1984)	1,557,000
21	(38) 98.01.165.984-Emergency Proce-	
22	dures (Ch. 1659, Stats. 1984)	14,229,000
23	(39) 98.01.167.584-School Testing-	
24	Physical Fitness (Ch. 1675,	
25	Stats. 1984)	680,000
26	(40) 98.01.077.896—American Gov-	
27	ernment Course Documents Re-	
28	quirements (Ch. 778, Stats.	
29	1996)	202,000
30	(41) 98.01.030.995-Pupil Residency	
31	Verification and Appeals (Ch.	
32	309, Stats. 1995)	219,000
33	(42) 98.01.058.897-Criminal Back-	
34	ground Cheeks (Ch. 588, Stats.	
35	1997)	5,090,000
36	Provisions:	
37	1. Except as provided in Provisions 2	2 and 3 of this
38	item, allocations of funds shall be	e made by the
39	Controller in accordance with the	provisions of
40	each statute or executive order tha	t mandates the

- reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
 - 2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon approval of the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefore is provided to the chairperson of the committee in each house of the Legislature which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
 - 3. Notwithstanding any other provision of law, the funds appropriated in Schedules (19) and (35) are for transfer to the Public Employees' Retirement System for reimbursement of costs incurred pursuant to Chapter 1398 of the Statutes of 1974 or Chapter 799 of the Statutes of 1980.

164,303,000

1	(1) 98.01.003.677–Annual Parent No-	
2	tification (Ch. 36, Stats. 1977, et	
3	al.)	3,585,000
4	(2) 98.01.007.778–Absentee Ballots–	
5	Schools (Ch. 77, Stats. 1978 and	
6	Ch. 920, Stats. 1994)	1,295,000
7	(3) 98.01.008.786–School Discipline	
8	Rules (Ch. 87, Stats. 1986)	1,726,000
9	(4) 98.01.009.894–Caregiver Affida-	
10	vits (Ch. 98, Stats. 1994)	387,000
11	(5) 98.01.016.093–School District of	
12	Choice Transfer and Appeals	
13	(Ch. 160, Stats. 1993)	10,207,000
14	(6) 98.01.013.487–Pupil Suspensions:	
15	District Employee Reports (Ch.	
16	134, Stats. 1987 et al.)	1,022,000
17	(7) 98.01.016.193–Intradistrict Atten-	
18	dance (Ch. 161, Stats. 1993)	5,262,000
19	(8) 98.01.017.201–Interdistrict Atten-	
20	dance (Ch. 172, Stats. 1986)	1,789,000
21	(9) 98.01.017.286–Interdistrict Trans-	
22	fer Parent's Employment (Ch. 172,	
23	Stats. 1986)	1,111,000
24	(10) 98.01.048.675–Test Claims and	
25	Reimbursement Claims (Ch. 486,	
26	Stats. 1975)	11,856,000
27	(11) 98.01.049.801–Graduation Re-	
28	quirements (Ch. 498, Stats.	
29	1983)	13,898,000
30	(12) 98.01.049.802–Notices of Truan-	
31	cy (Ch. 498, Stats. 1983)	7,975,000
32	(13) 98.01.049.803–Pupil Expulsions/	
33	Expulsion Appeals (Ch. 498, Stats.	
34	1983 et al.)	2,427,000
35	(14) 98.01.062.492–Schoolbus Safety	, , , , , , , ,
36	(Ch. 624, Stats. 1992)	938,000
37	(15) 98.01.064.186–Open Meetings	,
38	Act (Ch. 641, Stats. 1986)	3,395,000

1 2	(16) 98.01.066.878–Pupil Exclusions (Ch. 668, Stats. 1978)	387,000
3 4	(17) 98.01.078.192–Charter Schools (Ch. 781, Stats. 1992)	598,000
5	(18) 98.01.078.395–Investment Re–	
6	ports (Ch. 783, Stats. 1995)	157,000
7	(19) 98.01.079.980–PERS Death	
8	Benefits (Ch. 799, Stats. 1980)	771,000
9	(20) 98.01.081.891-AIDS Prevention	
10	Instruction (Ch. 818, Stats.	
11	1991)	3,118,000
12	(21) 98.01.096.175-Collective Bar-	
13	gaining (Ch. 961, Stats. 1975)	40,532,000
14	(22) 98.01.096.501–Pupil Classroom	
15	Suspension (Ch. 965, Stats.	
16	1977)	1,794,000
17	(23) 98.01.096.577–Public Health	
18	Screenings (Ch. 965, Stats.	
19	1977)	3,212,000
20	(24) 98.01.097.595-Physical Perfor-	
21	mance Tests (Ch. 975, Stats.	
22	1995)	1,176,000
23	(25) 98.01.101.184–Juvenile Court	, ,
24	Records (Ch. 1011, Stats. 1984)	336,000
25	(26) 98.01.110.784–Removal of Chem-	
26	icals (Ch. 1107, Stats. 1984)	1,302,000
27	(27) 98.01.111.789–Law Enforcement	,. ,. ,
28	Agency Notifications (Ch. 1117,	
29	Stats. 1989)	1,510,000
30	(28) 98.01.117.677–Immunization Re-	_,,
31	cords (Ch. 1176, Stats.	
32	1977)	3,444,000
33	(29) 98.01.118.475–Habitual Truants	2,777,000
34	(Ch. 1184, Stats. 1975)	5,397,000
35	(30) 98.01.121.391–Collective Bar-	2,27,000
36	gaining Agreement Disclosures	
37	(Ch. 1213, Stats. 1991)	271,000
38	(31) 98.01.125.375–Expulsion Tran-	271,000
39	scripts (Ch. 1253, Stats. 1975)	28,000
	50. ipis (On. 1255, Simis. 1775)	20,000

1 2	(32) 98.01.128.488–Pupil Suspensions: Parents Classroom Visits	
3	(Ch. 1284, Stats. 1988)	1,019,000
4	(33) 98.01.130.689–Notification to	1,019,000
5	Teachers of Pupil Ex–pulsion (Ch.	
6	1306, Stats. 1989)	2,853,000
7	(34) 98.01.134.780–Scoliosis Screen-	2,033,000
8	ing (Ch. 1347, Stats. 1980)	2,242,000
9	(35) 98.01.139.874–PERS Unused	2,2 12,000
10	Sick Leave Credit (Ch. 1398, Stats.	
11	1974)	3,191,000
12	(36) 98.01.146.389–School Account–	5,171,000
13	ability Report Cards (Ch. 1463,	
14	Stats. 1989)	2,115,000
15	(37) 98.01.160.784–School Crimes	2,112,000
16	Reporting (Ch. 1607, Stats. 1984)	1,557,000
17	(38) 98.01.165.984–Emergency Pro-	_,,
18		14,229,000
19	(39) 98.01.167.584–School Testing–	, ,,,,,,,
20	Physical Fitness (Ch. 1675,	
21	Stats. 1984)	680,000
22	(40) 98.01.077.896–American Gov-	,
23	ernment Course Documents Re-	
24	quirements (Ch. 778, Stats.	
25	1996)	202,000
26	(41) 98.01.030.995–Pupil Residency	
27	Verification and Appeals (Ch.	
28	309, Stats. 1995)	219,000
29	(42) 98.01.058.897–Criminal Back-	
30	ground Checks (Ch. 588, Stats.	
31	1997)	5,090,000
32	Provisions:	
33	1. Except as provided in Provisions 2 and	ed 3 of this
34	item, allocations of funds shall be m	
35	Controller in accordance with the pr	
36	each statute or executive order that me	
37	reimbursement of the costs, and shall be	
38	verify the actual amount of the manda	
39	accordance with subdivision (d) of Section	v
40	the Government Code. Audit adjustme	nts to prior

AB 804

— 110 —

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- year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
- 2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon approval of the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefore is provided to the chairperson of the committee in each house of the Legislature which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
- 3. Notwithstanding any other provision of law, the funds appropriated in Schedules (19) and (35) are for transfer to the Public Employees' Retirement System for reimbursement of costs incurred pursuant to Chapter 1398 of the Statutes of 1974 or Chapter 799 of the Statutes of 1980.
- SEC. 80. Item 6110-485 of the Budget Act of 2001 is amended to read:
- 6110-485-Reappropriation (Proposition 98) Department of Education. The sum of \$466,102,000 is reappropriated from the Proposition 98 Reversion Account, for the following purposes:
 - 0001—General Fund
 - (1) \$4,166,000 to the State Department of Education for the purpose of funding prior year Annual Parent Notification-Staff Development mandate claims pursuant to Chapter 929, Statutes of 1997.

— 111 — AB 804

(3) \$12,005,000 for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to SELPAs to fully fund the 2000–01 Special Education average daily attendance increase.

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- (5) \$846,000 to the State Department of Education, for transfer to Section A of the State School Fund, to fully fund the 1999–00 deficit in the child nutrition program.
- (6) \$1,281,000 to the State Department of Education, for transfer to Section A of the State School Fund to fully fund the 2000–01 deficit in the child nutrition program.
- (8) \$10,000,000 on a one-time basis to the State Department of Education for Regional Occupational Centers and Programs for equipment.
- (9) \$1,000,000 to the State Department of Education for allocation to FCMAT to provide professional management assistance to the Emery Unified School District.
- (10) \$200,000 to the State Department of Education for allocation to FCMAT to provide professional management assistance to school districts in West Contra Costa County.
- (11) \$500,000 to the State Department of Education for allocation to FCMAT for the purposes of implementing the Student Friendly Services through Technology project project.
- (12) \$100,000 to the State Department of Education for the purpose of reimbursing districts for the cost of substitute educators pursuant to Section 44987.3 of the Education Code.
- (13) \$15,000,000 to the State Department of Education for allocation to schools pursuant to Article 2 (commencing with Section 51120) of Chapter 1.5 of Part 28 of the Education Code (Nell Soto Parent/Teacher Involvement Program).

AB 804 — 112 —

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1 (15) \$62,505,000 as a contingency expenditure, to be 2 authorized by the Department of Finance for trans-3 fer to the Controller as necessary for the reimburse-4 ment of state-mandated cost claims and interest 5 submitted by school districts and county offices of 6 education. These funds would be applied toward 7 the minimum funding requirement for school dis-8 tricts and community college districts imposed by 9 Section 8 of Article XVI of the California Constitu-10 tion for the 2000-01 fiscal year. 11 (16) \$23,939,000 to the State Department of Education 12

- (16) \$23,939,000 to the State Department of Education for the purpose of funding prior year school crimes reporting mandate claims pursuant to Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995.
- (17) \$75,318,000 to the State Department of Education for the purpose of funding ongoing mandates claims pursuant to the enactment of mandates claims legislation during the 2001–02 Regular Session.
- (18) \$4,500,000 for allocation to FCMAT for ongoing fiscal oversight of school districts pursuant to Provision 4.
- (19) \$4,500,000 to the State Department of Education for allocation to the Fiscal Crisis and Management Assistance Team for costs associated with administration of the California School Information Services Project.
- (20) \$1,000,000 for allocation to the Fiscal Crisis and Management Assistance Team for the purpose of reviewing school district hiring practices, pursuant to Section 42127.85 of the Education Code.
- (21) \$15,000,000 to the State Department of Education for the Principal Training Program pursuant to legislation enacted during the 2001–02 Regular Session related to providing professional development training to administrators.

— 113 — AB 804

(22) \$1,600,000 in one-time funding to the State Department of Education for the School Violence Reimbursement Project in the Grossmont Union High School District.

- (23) \$3,500,000 in one-time funding to the State Department of Education for the purpose of supporting sustainability and evaluation activities by existing Teenage Pregnancy Prevention Grant Program grantees that received funding in 2000–01 pursuant to Section 8922 of the Education Code. Funding shall be distributed proportionate to the funding received in 2000–01.
- (24) \$11,566,000 to the State Department of Education for the purpose of funding FCMAT's implementation of the local California School Information Services Project.
- (25) \$635,000 to the State Department of Education for the Beginning Teacher Salary Program.
- (27) \$5,500,000 to be set aside on a one-time basis pursuant to legislation enacted during the 2001–02 Regular Session for career/technical education services.
- (31) \$67,831,000 to the State Department of Education for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts and county offices of education on the basis of an equal amount per unit of average daily attendance for the purpose of the Proposition 98 educational programs specified in subdivision (b) of Section 12.40 of this act.
- (32) \$110,000 on a one-time basis to the State Department of Education for grants to school districts and county offices of education pursuant to the gender equity train-the-trainer grant programs established pursuant to Section 224.5 of the Education Code.

AB 804

— 114 —

- (33) \$10,000,000 to the State Department of Education for the allocation on a one-time basis to implement the High Tech High School Program pending enactment of legislation during the 2001–02 Regular Session.
- (35) \$35,000,000 for the purpose of limiting the PERS offset to K–12 revenue limit apportionments contingent on legislation enacted prior to January 1, 2002. Pending legislation will specify the method of funding distribution, the manner in which the appropriation will be included in the continuously appropriated K–12 revenue limit apportionment items, and will cap the amount of limitation to \$35,000,000 of the amount of offset that would otherwise be required.
- (36) \$500,000 to the State Department of Education to allocate to school districts for one-time costs associated with the English Language Development Test.
- (37) \$80,000,000 to the State Department of Education for the Mathematics and Reading Professional Development Program, pursuant to legislation enacted in the 2001–02 Regular Session.
- (39) \$5,000,000 to be set aside on a one-time basis for the purpose of funding legislation related to establishing the California Information Technology Career Academy Grant Initiative.
- (40) \$10,000,000 on a one-time basis to the State Department of Education to augment the School Safety Block Grant Program.
- (41) \$3,000,000 to the State Department of Education to contract for the development of the High School Exit Exam Workbooks.

Provisions:

- 1. The funds reappropriated in subdivision (24) of this item shall be transferred to FCMAT only if education telecommunications funds do not materialize.
- 3. The funds reappropriated in subdivision (12) of this item shall only be used to reimburse districts which

— 115 — AB 804

request reimbursement pursuant to Section 44987.3 of the Education Code.

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- 4. Of the funds reappropriated in subdivision (18) of this item, \$4,500,000 shall be allocated to FCMAT for purposes as follows:
 - (a) \$3,500,000 for the purposes of fully funding county office of education (COE) oversight activities pursuant to Chapter 1213 of the Statutes of 1991 and subsequent laws. These activities include, but are not limited to, conducting reviews, examinations, and audits of districts and providing written notifications of the results at least annually by county offices of education on the fiscal solvency of the districts with disapproved budgets, qualified or negative certifications, or, pursuant to Section 42127.6 of the Education Code, districts facing fiscal uncertainty. Written notifications of the results of these reviews, audits, examinations shall be provided at least annually to the district governing board, the Superintendent of Public Instruction, the Director of Finance, and the Office of Secretary for Education.
 - (b) \$1.000,000 to fund reimbursement of COE activities pursuant to Provision 4 of Item 6110-107-0001 or for extraordinary costs of audits, examinations, or reviews of district budgets in cases where the COE has reason to believe fraud, misappropriation of funds, or other illegal fiscal practices require COE review. If the legislation is adopted in the 2001-02 legislative session regarding COE fiscal oversight activities, the funds in this provision may also be used for those purposes. Any unexpended funds provided under this be allocated paragraph may development and implementation of training in accordance with paragraph (2) of subdivision

AB 804 — 116 —

- 1 (d) of the Section 42127.8 of the Education 2 Code.
 - (c) The amounts in subdivision (a) of this provision shall be distributed by a formula to be adopted by FCMAT in consultation with the California County Superintendent Educational Services Association and approved by the Department of Finance and the Superintendent of Public Instruction. The amounts in subdivision (b) of this provision shall be distributed by FCMAT on an as—needed basis subject to approval by the Department of Finance and the Superintendent of Public Instruction.
 - 7. The funds reappropriated in subdivision (22) of this item shall be allocated by the State Department of Education to the Grossmont Union High School District in San Diego County for the School Violence Reimbursement Project. The Grossmont Union High School District shall expend these funds to increase the ratio of adults to students on campus, including, but not limited to, school staff and faculty, community partners, school security personnel, school resource officers, and volunteers, and to fund a pilot program for a school violence prevention hotline to reduce the risks of acts of violence against students and staff. These funds may also be used to reimburse the Grossmont Union High School District for no budgeted expenses incurred during the separate school campus shootings within the district in 2001.
 - SEC. 81. The sum of sixty-two thousand dollars (\$62,000) appropriated from the Proposition 98 Reversion Account in schedule 9 of Section 42 of Chapter 71 of the Statutes of 2000, as amended by Section 129 of Chapter 1058 of the Statutes of 2000, is hereby reappropriated for allocation on a one-time basis to the Hilmar Unified School District for street access at Hilmar Middle School, to the extent that this funding remains available.
 - SEC. 82. Notwithstanding any other provision of law, the total apportionment by the Superintendent of Public Instruction to the Compton Unified School District funding for the K-3, Class

— 117 — AB 804

Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of the Education Code for the 1999–2000 fiscal year shall be an amount equal to nine million six hundred ninety-five thousand twenty-eight dollars (\$9,695,028).

SEC. 83. Notwithstanding any other provision of law, school agency administrative costs and salary-driven benefit costs, including the employer's share of Medicare, unemployment insurance, and workers' compensation, incurred as a result of implementation of Section 40 of Chapter 71 of the Statutes of 2000, shall be paid from funds appropriated for the schoolsite portion of the Academic Performance Index Schoolsite Employees Performance Bonus. School districts, county offices of education, and charter schools may not reduce the amount of Academic Performance Index Schoolsite Employees Performance Bonuses provided to employees to recover the employer's salary-driven benefit costs or administrative costs incurred by the school district as a result of this award.

SEC. 84. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that the various programs affected by this act are properly implemented, pursuant to the clarifying, technical, and other changes made by this act, it is necessary that this act take effect immediately.

2627 corrections

28 Digest — Pages 6,11.

29 Text — Pages 40,53,54,78,89,

95,96,98,100,101,102,

31 103,108,109,110,111, 32 112,113,114,115,116.

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